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THURSDAY, JUNE 17, 1948



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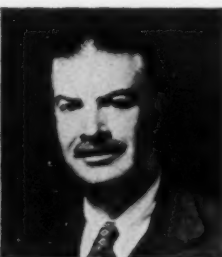
J. F. O'LOUGHLIN



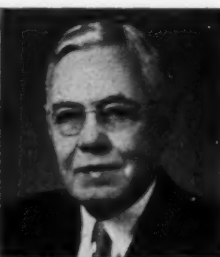
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Larson of Florida Ascends to Top N.A.I.C. Post

Progress Made at Philadelphia in Convention Examination Reform

At the closing session of the annual convention of National Assn. of Insurance Commissioners at Philadelphia, it was decided to hold the winter meeting at the Commodore hotel, New York, the week commencing Dec. 12, and to hold the 1949 annual convention at the Olympic hotel, Seattle, June 24-30. Also, the group voted with a great show of enthusiasm to accept the invitation of Georges LaFrance, the Quebec



J. E. Larson



W. Ellery Allyn

superintendent, to hold the 1950 convention at Quebec the week of June 12.

Mr. LaFrance, who is a great favorite with the group, made a winning speech in extending the invitation. He also urged U. S. commissioners to attend the convention of Assn. of Superintendents of the Provinces of Canada at Victoria, B. C., Oct. 11-16. He recalled that N.A.I.C. conventions had been held in Canada in 1928 and 1938.

Seth Thompson of Oregon, the retiring president, announced that the final registration at Philadelphia was 1,028.

No Contest in Elections

There was no contest in the elections and J. Edwin Larson of Florida ascended to the presidency while David A. Forbes of Michigan moved up from chairman of the executive committee to vice-president. W. Ellery Allyn of Connecticut was elected as the new executive committee chairman, sentiment having crystallized in favor of that decision well in advance of the convention. William P. Hodges of North Carolina was returned to office as secretary. There was no selection made at Philadelphia of an assistant secretary who is to be a full-time man located at Raleigh.

Executive committee members are Jackson of Missouri, Parkinson of Illinois, Bowles of Virginia, Knowlton of New Hampshire, Malone of Pennsylvania, White of Mississippi, Pearson of Indiana, Kavanaugh of Colorado and Downey of California.

Elections of zone chairmen were announced including Allyn of Connecticut for zone 1; Bowles, zone 2; Cravey, Georgia, 3; Harris, Minnesota, 4; McKenzie, Arkansas, 5, and Thompson of Oregon, 6.

After meeting at various hours during the week on the matter, the association finally gave its approval to a program intended to bring about improvement in the conduct of convention examinations

Home Announces Numerous Head Office Promotions

NEW YORK—Home has made several promotions. Arthur P. Herman assistant vice-president, becomes vice-president and secretary in charge of the automobile departments of Home and Home Indemnity. Malcolm A. Sedgwick, secretary of Home, becomes vice-president and secretary in charge of the investment department.

Norman S. White, secretary, has been elected vice-president and secretary, to be transferred later in charge of the Pacific Coast states with headquarters at San Francisco.

R. E. Minner, vice-president and secretary of National Liberty, was elected to the same post in Home, to be transferred later in charge of the midwest, with headquarters at Chicago.

C. Harry Smith, vice-president and secretary; Percy G. Buck, secretary, and Charles M. Mecke, assistant secretary, all of Franklin Fire, are transferred to similar positions with Home. Randolph Church, assistant secretary of Homestead Fire, becomes assistant secretary of Home.

Two men have been appointed officers. Kenneth H. Dunshee, public relations director, becomes assistant secretary. He has been with the company 10 years, first as assistant to the president and then manager of advertising and director of public relations. Previously he was advertising manager of Royal Indemnity. He continues as public relations director. Roger Bayles becomes assistant secretary and assistant in the investment department.

of insurance companies. This consists of a codification of various recommendations and actions along this line that have been taken at previous meetings, together with a rather detailed guide for the examiners to follow and a statement as to basis for making charges. There was a good deal of discussion of the latter matter and the final decision was to recommend that a reasonable fee for examiners is \$150 per week, including actual working days consumed in travel time which shall not exceed rail time. The examiners are to be paid for days worked only, except national holidays and for absence due to sickness. The report stated that \$8 is a reasonable minimum per diem expense, but this can be modified upward or downward, depending on local conditions.

The association will now proceed to print an examination procedure manual in such a way that it can be kept up from time to time to take care of changes. Mr. Thompson said that this is one of the most vital steps that the association has taken. He said over the years a fund of practices has developed

(CONTINUED ON PAGE 13)

U. S. Chamber Urges States to Finance New Regulation

WASHINGTON—Calling attention of the states and their insurance departments to their "wide discretionary powers" and "increased responsibilities" with the expiration of the public law 13 moratorium June 30, the U. S. Chamber of Commerce suggests that "the states can well afford to use" surplus revenues derived from taxation of the industry "to pay the cost of an adequately staffed insurance department" if necessary.

The chamber has issued a pamphlet on "Public Regulation of Insurance after July 1, 1948," which was prepared in its insurance department under direction of A. L. Kirkpatrick, manager, and approved by the chamber's insurance committee and directors.

Kirkpatrick Is Author

"Exercise of these responsibilities," the chamber says, "will require a high order of statesmanship on the part of the state supervising officials, assisted by competent technicians. In some states this may require additional appropriations to pay for the increased personnel."

"State governors and legislators are urged to give this problem careful attention that the intent of Congress may be carried out, that regulation of insurance be kept in the hands of the states and that the interests of the insuring public be adequately protected."

"In every state, for many years, it has been the practice for the states to collect in taxes on insurance premiums, licenses, and fees, several times the amount expended for the supervision of the insurance business. At this critical period in the development of new machinery for regulation of insurance, the states can well afford to use such additional portion of these taxes as may be necessary to pay the cost of an adequately staffed insurance department."

Dalmar & Co. Change

J. J. Ferguson, executive vice-president of H. Dalmar & Co., class 1 agency of Chicago, has resigned. He will devote several weeks to vacation and then announce his future plans. Mr. Ferguson for a number of years previously was assistant western manager of Fireman's Fund. Before that for many years he was a field man of that company at Chicago and active as an official of the old Cook County Field Club.

Alfred Persson of Toplis & Harding was in New York City this week following his return from two months spent at London Lloyds in England.

George Seyfried, general adjuster of Marsh & McLennan at New York was presented a handsome wrist watch on completion of 30 years with the firm.

Dineen Move May Presage Doom of Five Year Contract

N. Y. Superintendent Asks Insurers to Weigh Term Plan Elements

NEW YORK—Superintendent Dineen of New York sent a letter to New York Fire Insurance Rating Organization suggesting that the group study the problems created by the issue of five year term policies and the reasonableness of the discounts granted when such policies are purchased.

Stating that he has already instructed his staff to study the problem with a view towards taking the necessary action thus indicated, the superintendent's letter cited the stress laid on quantity discounts by the Robinson-Patman act as emphasized in the May 3 Supreme Court decision in Federal Trade Commission vs. Morton Salt Co. This decision impelled the department to review all existing filings of the New York rating organization embodying term discounts.

Possibility of Discrimination

"If the discount to the long-term buyer is inadequate, there is discrimination against him," the letter states, adding that "conversely, if the discount is overgenerous, there is discrimination against the short term buyer. Furthermore, excessive or inadequate term discounts applied to the annual rate can produce not only discriminatory rates but excessive or inadequate term rates as compared to annual rates."

Suggesting that the group take preferred action on the matter, the letter suggests that long range studies may be necessary but indicates that such long range studies should not prevent the taking of remedial steps, if necessary, with reasonable promptness.

In connection with rate revisions the superintendent points out that it has been suggested that many difficulties could be either reduced or eliminated by reducing or cutting down the maximum duration of term policies. The possibilities range all the way from cutting the maximum terms to three years to the complete elimination of all policy terms in excess of one year.

From the standpoint of rate making alone the latter suggestion has much merit, the department's letter comments, but unless some form of continuous policy were employed, to abandon term policies now would increase clerical work at a time when "we should be seeking to reduce it." An abrupt transition from five to one year policies would create a number of immediate problems which would be avoided by intermediate steps such as fixing a maximum term of three years.

Rate Is a Forecast

A fire insurance rate is nothing more or less than a forecast, and "our experience has been that the longer the forecast the less accurate the rate may turn out to be under actual experience," he stated. Sometimes the experience develops in line with the forecast, but just as frequently it turns more or less favorable than anticipated. In the process, the rate becomes disadvantageous to either the company or the

(CONTINUED ON PAGE 15)



CANDID PHOTOS BY HARRY H. FULLER, DEPUTY U. S. MANAGER OF ZURICH AT THE N.A.I.C. ANNUAL: Left to right, Commissioner Thompson of Oregon, John A. Diemand, president of North America; Guy R. Whitten, first deputy commissioner of Maine; Commissioner Sullivan of Kansas.

Commissioners Give I.U.B. Plan Rough Going Over

N.A.I.C. Asks Industry to Eliminate "Objectionable" Features

Most of the drama at the N.A.I.C. convention at Philadelphia, was in connection with the Interstate Underwriters Board issue. After two open sessions in which advocates of the I.U.B., operating under rate regulatory laws as an advisory rating organization, were subjected to caustic questioning and expressions of objection on the part of commissioners and spokesmen for non-I.U.B. insurers, the upshot was adoption of a report of the rating organizations committee, headed by Harrington of Massachusetts in which the hope was expressed that the industry groups will eliminate proposed procedures to which objection had been expressed.

The committee emphasized that the all-industry rating bill provides that each rating bureau shall furnish its services to its members and subscribers without discrimination and that rate filings and supporting information shall be public information after the filing is approved and that the commissioners may make reasonable rules to effectuate such provisions.

Quotes from Plan

The proposed plan contains the statement that rates established are to be furnished only to authorized representatives of insured, except that any fire insurance company may have access to information pertinent to the application of this rating plan to any risk on which it has liability, including the rate arrived at upon such application.

On this, the committee said, "To the extent that the plan attempts to limit the availability of rating services to representatives of the insured or to those companies which are actually on the risk, it is inconsistent with the bill, for the bill contemplates that the services of the rating bureau which cover this specific type of risks should be available to all members and subscribers of the bureau without discrimination.

"Furthermore, after listening to the oral representations, we are not convinced that in actual practice the I.U.B. would function as an advisory organization. On the contrary, it appears that in actual operation the I.U.B. would actually be making the rates."

"It is obvious that under any plan of this type, multiple location risks will, under most circumstances, obtain a lower rate than comparable individual risks. The committee believes that any demonstrable savings incident to the rating of multiple location risks should be passed on to the insured, otherwise there would be unfair discrimination against multiple location risks. Nevertheless, where a multiple location risk ultimately gets a lower rate than a single risk it seems to us that every effort should be exercised by the business and the N.A.I.C. to see that the plan used and sanctioned should be free from any characteristics which may be the subject of valid criticism. It is to be hoped that the various industry groups concerned in this problem will make an earnest effort to eliminate those features of the program which to this committee seem objectionable."

Jesse White, the Mississippi commissioner, stated that he wanted to be recorded as not voting on this report. He said he is not convinced that the I.U.B. should be considered either as a

UNDERWRITERS LABORATORIES CHANGES

Small Elected Vice-Chairman, Curtis Welborn New President

Alvah Small, president of Underwriters Laboratories since 1935, was elected



Alvah Small



C. R. Welborn

ers Laboratories since 1935, was elected

ratemaking body or as an advisory organization.

It was mentioned on the platform that North America was just on the point of filing in the various states an independent plan of its own for handling reporting covers and was requesting the rating bureaus to discontinue acting for North America in multiple location risks. This apparently is being done against the possibility that there will be no I.U.B. approved plan in many of the states by July 1 when the public law 15 moratorium runs out. Hence North America wants to be in the position of being able to proceed at that time. It is still a member of I.U.B. This immediately raised in the minds of rating experts the question of whether multiple location risks constitute an identifiable kind of insurance under the rating laws such as may be a proper subject for deviation. Actually, of course, this is an underlying problem in the I.U.B. issue, too.

Toss McCarl in Blanket

At the first session of the rates and rating organization's committee at Philadelphia, H. C. Conick was the spokesman for I.U.B. in its advisory organization presentation and that touched off a lot of fireworks. At the recessed session of the committee, T. D. McCarl, assistant manager of I.U.B., was the victim. He made a hero of himself. The commissioners who questioned him in the most penetrating and caustic fashion afterwards publicly assured him that he enjoys their respect. Dineen of New York said that he had pursued his line of questioning to adduce fundamental facts and he thanked Mr. McCarl for responding with such honesty and intelligence. Mr. McCarl answered all questions in definite, forthright fashion, but he always stood by his guns and refused to be drawn into an admission that the program is faulty as to policy or principle.

Forbes of Michigan led off in the questioning by asking Mr. McCarl whether it is proposed that there will be

(CONTINUED ON PAGE 28)

vice-chairman at a special meeting of the board in New York. Curtis R. Welborn is the new president.

Mr. Small started as an inspector for the New York Fire Insurance Exchange. He joined Underwriters Laboratories in 1906 and four years later was placed in charge of factory inspection work. He became vice-president in 1916. For 23 years he has been chairman of the electrical committee of National Fire Protection Assn.

Mr. Welborn has been executive vice-president of the laboratories since 1947. He joined the organization in 1920 as assistant engineer of the gases and oils department, later becoming superintendent of label service. In 1935 he was elected secretary.

Dechert Again Pa. Federation Head

The annual meeting of Insurance Federation of Pennsylvania was sandwiched into a luncheon gathering at Philadelphia during the convention of National Assn. of Insurance Commissioners. The N.A.I.C. group attended the affair at which Robert Dechert, general counsel of Penn Mutual Life, who was re-elected president, presided. Mr. Dechert kept the proceedings in a light vein. He introduced some of the dignitaries at the head table including Homer Teamer, executive secretary; Jay Jamison, Reliance Life, executive vice-president, and C. H. Bokman, Pittsburgh manager of New Amsterdam Casualty, former president. Also John Diemand, president of Ins. Co. of North America, who was general chairman of the commissioners' arrangements committee, and John A. Stevenson, president of Penn Mutual, chairman of the entertainment committee.

John M. Thomas, president National Union Fire, is first vice-president of the federation. The vice-presidents are these Philadelphians: A. M. Walron, local agent; Dodd Bryan, North America; Frank D. Buser, Fidelity Mutual Life; Samuel J. Carr, Standard Accident; William B. Corey, Provident Industrial Life; Stanley Cowman, Mather & Co.; Hamilton H. Gilkyson, Mutual Fire of Chester county, Coatesville; W. M. Guthrie, Reliance Life, and Edward A. Logue, Globe & Rutgers, Pittsburgh.

Treasurer is John D. Pharaoh II, Indemnity of North America; national councillor, J. H. R. Timanus, Philadelphia Contributorship, and chairman of the executive committee is John A. Stevenson. There are 24 other members of the executive committee and 24 directors.

Fred E. Stemm, local agent at Kenosha, Wis., is observing his 35th anniversary in the business.

Boyle Elected by South Carolina Agents Association

Fiftieth Anniversary Celebration at Augusta Called Best Ever

Thomas B. Boyle of Columbia was elected president of South Carolina Assn. of Insurance Agents at the 50th anniversary meeting at Augusta, Ga., last week. Mr. Boyle was vice-president last year.

Joel S. Morse, Abbeyville, is vice-president. J. T. Hudson, Spartanburg, was reelected national state director. Claude Vaughn, Darlington, and H.



F. B. Schachte



J. T. Hudson

Pierce North, Columbia, were reelected secretary-treasurer and manager respectively.

The meeting was the most successful the association has yet held. The session ran off on time and the weather was cool and clear.

There were nine outside speakers on the two-day program, and retiring president Frank B. Schachte of Charleston presided at the general sessions. The meeting was topped with a banquet the second evening which included grandiose entertainment.

Speakers the first day were Lewis F. Gordon, vice-president Citizens & Southern National Bank of Atlanta, who gave an inspirational sales talk; Dr. Walter A. Cutter of New York university, whose topic was "Highway Safety"; Maurice Herndon, assistant Washington representative of the National association, who told of the work of that office, and John Cosgrove, public relations director of American, who spoke on "The Agent and Public Relations."

Norman A. Chrisman, Pikeville, Ky., a member of the executive committee of the National association, led off the second day with a report from the National association with emphasis on its legislative activities.

Agents have always talked about public liability and then delivered

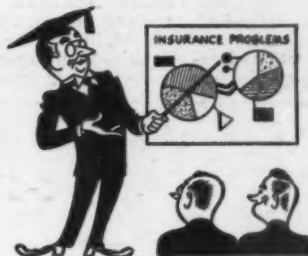
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PHOTOGRAPHS TAKEN AT N.A.I.C. CONVENTION BY HARRY H. FULLER, DEPUTY U. S. MANAGER OF ZURICH: From the left, Commissioners McKenzie of Arkansas, Gibbs of Texas; Superintendents Jackson of Missouri, Shield of Ohio; Commissioner Allyn of Connecticut; Mrs. Shield; W. A. Robinson, assistant Ohio superintendent.

NATIONAL'S FAMILY ALBUM

Venerable Victor. Dean of the local agents, the town's protector. Has written every form of insurance at one time or another. Even the other agents ask him about insurance problems. Not resting on his laurels yet and the renewals continue to grow. A credit to the business.



Wonderful Walter. His policyholders are constantly amazed at his interesting, competent service on insurance matters. His business is never threatened; he knows his forms. He thinks it's a wonderful business too.

X-Y-Z. These are the agents at "the end of the list". Small volume perhaps, and seldom in the spotlight, but always there with a modest, promising class of good business. "X-Y-Z" today... "A-A-A" tomorrow.



N. F. G.* The Perfect Agent. Does all these things and more. Sound steady protection and prevention service — all the time.

* National Fire Group agents, of course
(—and that goes for our fieldmen too)

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MEMBER THE ASSOCIATED AVIATION UNDERWRITERS

Librarians Reelect Miss Ferguson

Elizabeth Ferguson, librarian of Institute of Life Insurance was reelected chairman of the insurance group of the Special Libraries Assn. at its annual meeting in Washington, D. C., last week. Mrs. Elizabeth S. Hinkel, librarian of Fire Underwriters Assn. of the Pacific, was elected vice-chairman and Mrs. Vernie Wolfsberg, librarian of St. Paul F. & M., was elected secretary.

The insurance group sponsored several individual sessions, including a luncheon addressed by William R. Williamson, formerly actuary of the social security board and now a pension consultant, and Jerome Sachs, insurance officer of the office of international trade.

Mr. Williamson, reviewing individual, employer-group and government plans to combat jobless old age, death and extended disability, declared in his talk

that the least important is social budgeting through government and the most important are individual ways of meeting responsibilities. Among these ways he listed savings, insurance and investment.

Declaring that the present OASI plan is discriminatory, Mr. Williamson said that as presently conducted it is unfair to the younger generation in expecting them to bear a load later on when the present generation refuses to bear its now. He asserted that a "floor of protection" of \$25 monthly for all of the nation's 15 million "presumed beneficiaries" would cost between 2 and 3% of a year's national income but that it would make it unnecessary to test recipients on the basis of need. It would maintain individual initiative.

Mr. Sachs reviewed the restrictions facing American insurance companies wishing to operate abroad. They are caused, he said, by foreign exchange difficulties and by the desire here and abroad to use insurance company funds

as a reservoir of funds for internal financing, both governmental and private. Enactment of further restrictive legislation will depend in large measure on the extent to which foreign currency problems are solved and on the extent to which international trade stabilization is achieved.

H. D. Omsberg to N.A.U.A.: Advance Hubbard on Coast

Howard D. Omsberg has resigned as assistant general agent of New Hampshire Fire at Chicago to become assistant western branch secretary of National Automobile Underwriters Assn. along with Paul Fry.

Mr. Omsberg was at Philadelphia last week as part of a sizable N.A.U.A. delegation at the commissioners' meeting.

He is a graduate of the Northwestern University fire insurance course, being sponsored by Great American. He worked for that company in the western department and in the field and in 1937 joined New Hampshire as Wisconsin state agent. He had been assistant general agent since 1942.

Claude Hubbard has been promoted to assistant Pacific Coast branch secretary of N.A.U.A. He is a graduate of University of Washington and has been with N.A.U.A. since 1940 except for four years in the air corps. He is finance officer of his American Legion post.

Besides Mr. Omsberg and Mr. Fry, the N.A.U.A. group at Philadelphia included J. Ross Moore, general manager; W. D. Hall, actuary; Fred Herring, eastern branch secretary; E. L. Rickards, western branch secretary; H. D. Sammis, coast secretary, and C. R. Durden, secretary at Atlanta.

They had been at New York the previous week for a staff conference.

Wisconsin U. Gives N.A.I.A. Courses: Seminar Aug. 16-21

MILWAUKEE—The course which has been conducted by Milwaukee Board in cooperation with Wisconsin Assn. of Insurance Agents will be conducted by the Milwaukee division of the University of Wisconsin this fall. The extension division of the university will make the N.A.I.A. series available in any city of the state where a sufficient number of students request the course. Starting in September, the university will offer six one-semester courses in all insurance subjects as covered in the N.A.I.A. standard series. Classes at the extension division building in Milwaukee will be open to agents, agency employees, company men and insurance buyers.

Courses to be offered at the insurance seminar of the university at Madison Aug. 16-21 will include the first three days of the N.A.I.A. standard series on public liability and workmen's compensation and the course in public relations and agency management conducted by Richard Farrer, educational director. Local agents, company men or other interested persons are privileged to enroll. Wisconsin Assn. of Insurance Agents is cooperating. The cost of board and room in a university dormitory and tuition is \$35 for the entire week, and reservations are being made through Erwin A. Gaumnitz, insurance professor of the school of commerce, University of Wisconsin, Madison.

Two Boards Hear Steinhaus

HUSTISFORD, WIS.—Arthur Steinhaus of the Madison office of Wisconsin Fire Insurance Rating Bureau spoke on its work and the procedure in schedule rating before Dodge County Assn. of Insurance Agents.

Mr. Steinhaus also addressed Jefferson County Assn. of Insurance Agents at Lake Mills.

Get 53 Arson Convictions

Ray R. Gill, Ohio state fire marshal, reports the state's new arson bureau in its first six months obtained 53 arson convictions, which was more than double the number of convictions in 1945.

National Board Has New "Ad" Series

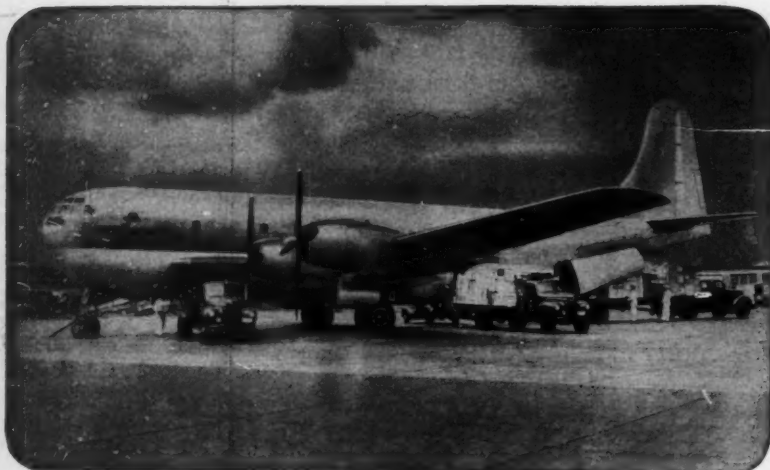
National Board this month is launching a nationwide advertising campaign on fire prevention with the theme "Fire, the Fifth Horseman."

The advertisements will stress the need for greater individual effort in fire prevention and each one will feature a box describing a public service of the fire business. They will show what the fire companies are doing to reduce fire loss.

The first full-page advertisements will appear in Life, Look, Saturday Evening Post and This Week, and next month will be in Successful Farming, Country Gentlemen, Farm Journal and several newspaper trade magazines.

The theme will be carried through fire prevention week in October.

Air Cargo Insurance



BOEING STRATOFREIGHTER

WHEN air cargo moves at three miles a minute—and every minute means money—then air cargo insurance service must move at the speed of flight, too.

But, as in aviation itself,—speed and precision in insurance service require years and years of practical experience and a world of knowledge. And a mind open to change!

That is why our policies, which protect shipments everywhere, are not only firmly based on sound insurance principles—but are kept in step with rapidly changing air transportation developments at all times.

Let us aid you in maintaining proper air cargo coverage for your clients.

Wm. H. McGEE & Co., Inc.

Underwriters of Everything in Transit

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TORONTO

SAN FRANCISCO

DALLAS—Gilbert Easley, Correspondent
HOUSTON—Charles D. Bailey, Correspondent



TODAY'S VALUES and INSURANCE COVERAGE

War-time prices did things to present insurable values. Revised insurance coverage requires new appraisal.

The AMERICAN APPRAISAL Company

Over Fifty Years of Service

OFFICES IN PRINCIPAL CITIES

All Coverages on

Local Trucks
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Upper Peninsula Becomes Division of Michigan Assn.

MENOMINEE, MICH. — Action formally creating an upper peninsula division of Michigan Assn. of Insurance Agents and setting up an executive committee made up of presidents of upper peninsula local boards, together with other committees to work with the state organization, marked the annual convention here of the upper peninsula agents group.



J. P. Old, Jr.

J. A. Bottkol, general chairman, advocated the new division in a report on "The Upper Peninsula Division of the Michigan Association; What is Our Problem?" John P. Old, Jr., Sault Ste. Marie, liaison officer of the U. P. division and member of the Michigan association executive committee, suggested the divisional executive committee. Arthur J. Goulais, Escanaba, also a Michigan association executive committee member, recommended the creation of the cooperating committees.

Sault Ste. Marie was selected for next year's meeting and Mr. Old was designated as general chairman. Divisional officers will be selected later by the newly formed executive committee.

Problem of Company Capacity

Mr. Bottkol also led a discussion of the continuing problem of company capacity. "Too many good risks," he asserted, "are being declined by the companies. This is definitely poor public relations for insurance as an institution and naturally is detrimental to agency interests."

Howard Huttenlocher, Pontiac, president, and Waldo O. Hildebrand, Lansing, secretary-manager Michigan association, were among the speakers, the former reviewing association activities generally while the latter explained qualifying examination procedure and educational work of the association. Mr. Hildebrand told of changes by the department in its conduct of examinations for first-time applicants for property licenses and predicted that the tests will be made more difficult, with a likelihood that fewer new agents will be licensed.

Hugh K. Cavill, Jutner agency, Menominee, speaking on "What Affects the Agent in the U. P.?" mentioned the company acceptance problem, declaring that rejection of business is the most important of the agents' problems. Other speakers included: George J. Smedeman, manager Marquette office Michigan Inspection Bureau, on fire rating problems; Walter Hansen, Ishpeming manager, Western Adjustment, on adjustment problems; Stanley Elder, Marquette, on "Federal Legislation; Cradle to the Grave", and Joseph W. Mundus, Ann Arbor, past president Michigan association, who reviewed changes in policy forms over the past few years.

The convention attracted about 125 agents and company field men. Among those present were: Russell A. Bradley, Ann Arbor, vice-president Michigan association; Carl Claussen, western department manager at Chicago of London & Lancashire; John Reitze, Chicago, associate manager of Hartford Accident, and Arnold Barker, Detroit, manager of North British.

Menner Goes to London

Leo B. Menner of the Chicago office of Stewart Smith, Inc., left Monday for London to confer with underwriters there and will be gone about a month.

New National Board Committees Announced

New standing committees of National Board have been announced by J. M. Haines, the president.

H. C. Conick, Royal-Liverpool, was named chairman of the actuarial bureau committee, succeeding Gilbert Kingan, London & Lancashire; Perrin C. Cothran, Phoenix of Hartford, becomes chairman of the committee on adjustments, succeeding O. E. Lane, former chairman of Fire Association.

R. L. Tanner, New York Underwriters,

was named chairman of the committee on construction of buildings, succeeding C. D. McVay, Ohio Farmers.

W. J. Reynolds, Corroon & Reynolds, was appointed chairman of the committee on finance, succeeding Harold V. Smith, Home.

Other committee chairmen were re-appointed as follows: Conference committee with other insurance companies, George C. Long, Jr., Phoenix of Hartford; fire prevention and engineering standards, W. A. Hebert, Springfield F. & M.; incendiaryism and arson, F. Elmer Sammons, Hanover; laws, J. Victor Herd, America Fore; maps, John R.

Cooney, Firemen's; membership, E. J. Dickey, Agricultural; public relations, Walter F. Beyer, Home; statistics and origin of fires, D. C. Bowersock, Boston; uniform accounting, Everard P. Smith, Norwich Union.

Kiner Okla. Board Actuary

Thomas F. Kiner has been appointed actuary of the Oklahoma insurance board. For 12 years he has been technical adviser to the Mississippi commissioner on all matters concerning casualty and fire insurance. Joe Hunt will continue as assistant to the actuary.



CHANCE was a stray dog, famed in 1835 for his life with London firemen, and his active attendance at all fires — "... keeping off the crowds ... dragging Articles from the Premises." Fortunately, firefighting today doesn't leave so much to Chance.

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FOR 95 years, we have watched and encouraged the development of firefighting methods and devices. But in spite of great progress, recent losses set an all-time high. We urge you to redouble your efforts to prevent property destruction. It's the responsibility of all insurance people. Are you advising your customers on how to safeguard their property?

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Pave Way for Texas City Trials

More than 50 attorneys conferred at Galveston with Federal Judge Kennerly to pave the way for an expeditious trial of the more than \$200 million of damage actions brought against the federal government arising out of the Texas City disaster. A working committee and a liaison committee of attorneys was selected, and the attorneys present agreed to be bound by the actions of the committees with the stipulation that all at-

torneys must have access to the findings and work accomplished by those groups. Judge Kennerly said he did not consider any attorney bound by the work of the committee who did not approve of the procedure.

The working committee consists of Thomas Fletcher, John R. Brown, Austin Bryan, Vernon Elledge, Malcolm McCorquodale and Tom Mosheim of Houston and Neth Leachman of Dallas.

The liaison committee numbers Arthur Mandell, Fox Benton, Knox Gilmore and Sam Holliday of Houston and Russel Markwell, and Charles G. Di-brell, Jr., of Galveston.

U. S. District Attorney Odem suggested that an early meeting be held of the plaintiff's committee with the government attorneys. Judge Kennerly extended the time for filing claims in connection with the S.S. Grandcamp and S.S. High Flyer until Jan. 1, 1949.

Mr. Fletcher said he doubts that a representative case can be found among the 253 suits filed. He estimated that there are 128 attorneys involved and he suggested that there be a consolidation of all cases, if possible. Mr. Odem said that the government is ready to consolidate the cases for trial, if it can be done but that it "would be over-simplification" to say that 253 cases could be consolidated.

Most of the attorneys are acting on a contingent fee basis.

Knox Gilmore of Humble Oil & Refining Corp. said he had been empowered to underwrite a certain amount of expenses. Judge Kennerly said he believed he could arrange to open the cases for trial by Nov. 1, if the attorneys were ready.

It is understood that the first question will be whether the government is liable as a result of the Texas City explosion and if it is found liable, then the question of damages will be gone into.

B. C. Responsibility Law Is Eased for U. S. Tourists

VICTORIA, B. C.—Primarily for the benefit of American visitors, British Columbia's financial responsibility laws have been eased, according to Attorney-general Wismer.

As the law now stands, if a car is involved in an accident, the owner must show proof of financial responsibility immediately, else the car will be seized by police. For the benefit of tourists, however, it has been arranged with police authorities to have a 24-hour police service so that in the event a visiting car is seized, delays will be kept to an absolute minimum.

If the U. S. tourist is unable to prove on the spot that he has insurance, so long as police authorities are satisfied that such insurance is being carried, the vehicle will be released.

157 Autos Missing in Flood

A check by National Automobile Theft Bureau in the Vanport, Ore., flood area shows 157 automobiles unaccounted for. It appears that a number of these were old models not covered for comprehensive. Salvage possibilities appear dim because of long immersion and the initial buffeting when the water rushed in, and the propeller action of various military amphibious craft which is known to have ruined several car roofs.

The principal loss aside from automobiles, still is indicated to be installment sales floaters. The First National Bank had a substantial number of such contracts in the area and General Adjustment anticipates at least 200 claims from this account, although only 70 have been reported in the two weeks since the flood. Salvage possibilities are expected to be under 10%. Most adjusters say it will be two months before an accurate evaluation of the loss situation will be available. Claimants are difficult to locate and practically nothing can be learned about the whereabouts of the insured property.

Lahr Wins Golf Trophy

Henry Lahr of the R. B. McFalls general agency won the golf championship trophy at the annual outing of N. Y. Insurance Square Club. Albert E. Mezey, head of the agency of that name, made a score under 200 and placed second. Victor T. Ehre, Kemper group, awarded the prizes, aided by Robert A. Bishop of the F. F. Richardson general agency. Others honored at the guest table were Alfred S. Diederich, Chubb & Son; William Keller, Fidelity & Guaranty, and Albert L. Gubler, Fireman's Fund.

New Brokers' Chief

George S. Middleton of Chicago, new president of National Assn. of Insurance Brokers, has achieved distinction in two fields of activities—insurance production and the army. He has been in the insurance business at Chicago since 1912, except for service as a first lieutenant overseas in the other war and as a colonel and commanding officer at Ft. Sill, Okla., throughout the last war.

G. S. Middleton

He has been an independent broker since 1922. For a time early in his insurance career he was a partner in a Chicago agency. Mr. Middleton started in the business with Marsh & McLennan and retained that connection until 1922. Since separation from the service in 1946 he has been very active in the Insurance Brokers Assn. of Illinois, of which he is past president.

Cover for Retailers

T. Nelson Parker, general counsel of Virginia Assn. of Insurance Agents, read a paper prepared by an association committee before the convention of Virginia Retail Merchants Assn. The talk emphasized the types of coverage a merchant needs.

L. K. Porritt Advanced

Travelers has named L. K. Porritt associate manager with C. W. Van Beynum of the publicity department, and Colin Simkins, E. E. Stearns, Harry Barsantee and George Malcolm-Smith assistant managers.

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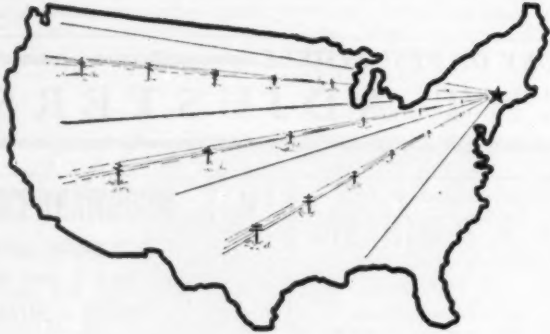
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Minneapolis Board Wins Miller Case in State High Court

ST. PAUL—In a unanimous decision the Minnesota supreme court held against Jack Miller, Minneapolis general agent, in his suit against Insurance Agents Assn. of Minneapolis. Miller had accused the board of conspiracy to restrain trade, boycotting and illegal rate making. He had previously lost his case in the Hennepin county court.

The decision is of widespread interest because many local boards operate under the same by-laws as Minneapolis. The St. Paul local board has been considering changes in its by-laws and was awaiting the decision of the supreme court before acting. It was the belief of members of both the Minneapolis and St. Paul boards that if the decision had been against them they would practically be forced to suspend operations or reorganize in some other form.

Walter H. Bennett, general counsel of the National association, led the legal battle for the Minneapolis board.

Officials of the Minneapolis board are elated at the victory but wonder whether this will end the matter. Miller originally brought a similar action in federal court which involved companies and Western Underwriters Assn. as well as the Minneapolis board. The case never came to trial as it was dropped after the board had agreed to make some changes in its by-laws. A few months later Miller started action in state court.

In effect the court held that Miller had not shown that he suffered any financial or property loss through the operations of the board and also said that if there had been violation of state laws regarding restraint of trade or boycotting this was a matter for civil authorities to handle, not a private citizen. The record shows no abuse of its rights and privileges by the board, the court said. As to Miller's effort to have the charter of the board canceled because of alleged law violation, the court said in effect that the action for cancellation of a corporate charter is so distinctly a civil proceeding that, in the absence of a statutory requirement to the contrary, a criminal conviction for the violation of anti-trust statute is neither a condition precedent to the commencement of the action nor to a judgment of forfeiture.

Walter H. Bennett, general counsel of N.A.I.A., who led the case for the Minneapolis board, in his remarks on the decision, points out that it runs counter to the opinion of Senator McCarran as set forth in a speech at San Francisco recently where, after mentioning such by-laws, he said: "It does not require a court decision, or action by the federal government, to make the parties to such agreements know that their action is restrictive or discriminatory."

Mr. Bennett notes also that the opinion opposes that of Senator Mahoney in the joint legislative committee report to the New York legislature with reference to such by-laws. That report stated: "It is now generally agreed that such rules are in restraint of trade and contrary to the public interest." It also runs counter to the ideas of many who had in substance declared "of course, such by-laws are illegal," Mr. Bennett stated.

Join Oil Assn. at Chicago

Leroy S. Miller and Elton J. Kunkle have joined Oil Association as inspectors.

Mr. Miller is a graduate of Rose Polytechnic Institute and has been a chemical engineering instructor there since his discharge from the navy. Mr. Kunkle has been a control chemist with General Foods. He is a graduate of Carnegie Tech. After training in Chicago, they will join a branch office.

John G. Dexter has withdrawn from Rankin, Johnson, Dexter & Co. at Columbus. Mr. Dexter, who is with Columbus Mutual, was in charge of the agency's life business.

Atlas Names Bailey in Wis.

Atlas and Quaker City F. & M. have appointed Howard W. Bailey, Jr., state agent for Wisconsin replacing A. P. Reidinger, who has resigned to accept another position. Mr. Bailey will have headquarters at Milwaukee.

Mr. Bailey attended the University of Wisconsin and since his release from the army has been with Wisconsin Fire Rating Bureau. He is a son of Howard W. Bailey, Wisconsin state agent for Pacific Fire, and is grandson of W. M. Bailey who was with American

Schenk to Los Angeles

Karl E. Schenk, general sales manager of central-north department of Hardware Mutual for Wisconsin and Michigan, headquarters at Stevens Point, is being transferred to the south Pacific department at Los Angeles in a similar capacity. Mr. Schenk has been at the home office of Hardware Mutuals 25 years. The south Pacific department comprises southern California and Arizona.

Boston Seeks New Capital

Boston will call a stockholders meeting in July to vote on a proposal to increase capital from \$3 million to \$4 million. The plan calls for the sale of 100,000 new \$10 par value shares. These will be offered to stockholders in September at the ratio of one new share for each three then held at a price to be determined late. First Boston Corp., it is reported, will head the underwriting syndicate. Boston's shares have been quoted at about 71 bid.

Ward to Be Field Man

J. Paul Ward has resigned as assistant state fire marshal of Kentucky and plans to enter fire insurance field work.

David M. Martin, Flint, Mich., agent, has been appointed by Gov. Sigler as Democratic member of Michigan's liquor control commission. He is a former chairman of the Democratic state central committee, has served in the Michigan legislature and has operated an agency in partnership with a brother since 1934.

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Begin Second Round of Stock Financing

Boston Takes Lead in Selling Stock as Volume Stays High

A new round of fire company stock financing will apparently be led off by Boston's sale in September of an estimated \$5 to \$6 million in new stock at the rate of one share for every three in stockholders possession.

Company executives are surprised at the way business has continued its phenomenal increase in the post war period. Most officials thought that there would be a leveling off at least if not a slight reduction but new business continues to pour in. Even those companies who seemed to have the highest reserves in the industry are now beginning to wonder if they have sufficient capital and surplus to "reserve" the new business.

Shelby Cullom Davis, New York insurance stock underwriter, expects that other announcements will be forthcoming shortly from additional companies both fire and casualty.

With profits at last beginning to improve, and stock market rises helping company surpluses, it appears that new stock sales will be successful ventures. Capacity minded company men, as well as buyers, brokers, and agents, will welcome the trend when it materializes.

According to A. M. Best Co. Fireman's Fund contemplates offering new stock.

John Mylod, president of Pacific National, who has been on three weeks trip was in New York last week. He attended the N.A.I.C. convention at Philadelphia.

Asks Fire Insurers Finance Federal Inspector School

Fire companies should finance a federally established training school for fire inspectors, Chief Ray T. Hall, Benton Harbor, told Michigan State Firemen's Assn. at its annual meeting at St. Clair. Hall said he had written General Fleming of the President fire prevention committee outlining such a plan for providing well-trained inspectors for fire departments throughout the nation.

"A school should be set up by the federal government and patterned along the lines of the FBI training program for municipal and county law enforcement officers," he declared. He said the school "could and should be financed by fire insurance companies" which, he explained, "recognize that good fire inspection service assures protection of their insurance investments."

Home Makes Increase in Regular Dividend

Home has declared a semi-annual dividend of 65 cents payable Aug. 1 to stock of record July 2. This compares with a rate of 60 cents semi-annually that has been paid in recent years. The 65 cents becomes a regular semi-annual dividend as the additional 5 cents was not paid in the way of an extra.

McCann Resigns as Head of R. R. Insurance Body

Howard W. McCann has resigned as manager of Railroad Insurance Assn. of New York. He has been with that organization seven years. His insurance career covers a period of about 25 years.

The District of Columbia Assn. of Insurance Agents will hold its annual outing June 25 at the Indian Spring country club.

THREE-WAY RALLY

Conour, Miller, Hartung Head Ill. Field Groups

By JOHN C. BURRIDGE

DELAVER, WIS.—Illinois Fire Underwriters Assn. at the annual meeting here elected E. F. Conour, North British, the new president to succeed Frederick Gorder, Phoenix of Hartford. Robert K. Johnson, Aetna Fire, is the new vice-president and he will have the line next year. Mrs. Ruth Hertz was reelected secretary-treasurer.

The Illinois Field Club and Illinois Blue Goose met with the I.F.U.A., and this was the first time that the three groups have held their annual meetings together. V. B. Hartung, Security of Iowa, is the new president of Illinois Field Club. Robert G. Anderson, Loyalty group, is vice-president, and Roger Lang, Dubuque F. & M., is secretary.

Lloyd Brown, vice-president of Loyalty Group, spoke at the field club meeting and related the actions of Western Insurance Bureau as a result of P.L. 15.

Blue Goose Names Miller

The Blue Goose at its annual meeting elected Edgar H. Miller, North British, as most loyal gander to succeed Harry J. Conklin, assistant Cook county manager of Loyalty group. Other new officers are: Supervisor A. J. Keats, North America; custodian, C. B. Temme, St. Paul F. & M.; guardian, E. C. Donnelly, Security of New Haven. A. J. Meyer, Automobile, was reelected keeper, and J. C. Burrige, THE NATIONAL UNDERWRITER, was reelected welder. The occasion was auspicious for Mr. Miller as he took office on his birthday.

Don C. Campbell, America Fore, per-

formed the installation ceremonies and the nominating report was given by J. Lewis Cassell, retired state agent of London Assurance. Mr. Cassell, who for many years has been a wheel horse of Blue Goose, also gave the memorial service.

Mr. Conklin was presented a P.M.L.G. pin by D. J. Harrigan, St. Paul F. & M., and he also received a rousing ovation from the members for his achievements during the year.

Delegates elected for the grand nest meeting at Montreal are O. H. Sturgeon, Pearl, and Mr. Miller. John J. Rusco, Aetna Fire, is alternate.

Ask Daily Report Speedup

Action taken at the business meeting of the I.F.U.A. included a recommendation that the executive committee study the workings of the Illinois Audit Bureau with the view of making recommendations to the subscribing companies' committee for improvements. The field men mentioned that daily reports have been slow in coming through and sometimes are as many as 30 days late.

Speakers on the program appeared before the joint sessions. They were Robert M. Beatty, Cook county general adjuster of Western Adjustment; Edward Graham, a former FBI man from Galesburg, Ill., who described some of his experiences, and R. E. Baker, public relations director of W.U.A.

I.F.U.A. took in nine new members and awarded honorary membership to F. W. Engle, former special agent for Great American, and L. F. Bramer, former special agent for Hartford Fire.

Should Watch Adjustments

Mr. Gorder in his address urged more attention on the part of field men to loss adjustment practices of agents. This problem should be watched carefully during an inflation period, he said, and field men might step in occasionally and assign losses.

Memorials were read to the late C. D. McKenzie, Northwestern F. & M., and

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James P. Fellows, who was farm superintendent for Fireman's Fund.

Mr. Gordor as he stepped down from office was given a ring. The presentation was made by Frank G. Cargill, North British.

Mrs. Hertz in her report as secretary mentioned that the I.F.U.A. has 157 members and 70 honorary members.

New directors are Kent Macy, New York Underwriters; J. A. Baxter, Royal; H. A. Trenholm, American, and D. H. DeMarcus, Home.

R. M. BEATTY'S TALK

There is a tendency by policyholders to tighten their attitude on loss adjustments, R. M. Beatty said in his talk. Since the tax situation on business has changed, firms are taking a greater interest in what their recovery will be. Mr. Beatty mentioned that during the war the tax situation was so difficult that a Chicago foundry which suffered a \$20,000 fire loss didn't bother to report it because taxes would take 92%. The loss was charged off to maintenance. Now that company would be anxious to recover everything possible.

Losses have not increased substantially, he said, there has been instead a great rise in the amount of loss per fire.

In explaining the reasons for the increased cost per fire, Mr. Beatty reviewed a number of unusual losses. He mentioned a fire in Chicago in a one-story wood truss roof building. The fire was promptly reported, but through an error the fire department went to the wrong location and by the time they arrived on the scene, the loss had reached \$600,000. The delay caused a needless loss of \$550,000.

Overlooked Fire Spread

In another case the fire department arrived on the scene promptly, but failed to see that the fire had spread to an adjoining building which was entirely destroyed.

Mr. Beatty remarked that architectural design sometimes is disastrous. He told of an "extremely fire resistive" building in which a fire started in the basement. The construction was such that there was no access to the basement except through a rear stairway or through the elevator shaft. The fire department had to flood the basement, but the architect had provided such large drains that the water disappeared as fast as it was put in. The basement was completely burned out and smoke damage to the upper floors was very heavy.

Springfield Fire Unusual

The recent fire at Bressman's department store at Springfield was unusual, Mr. Beatty said, because when lightning struck the building, fire broke out on three floors simultaneously and the fire department had no central point on which to direct its activities.

Another difficulty confronting adjusters is determining values of contents. Mr. Beatty said that he estimated a wholesale store contents loss at \$25,000, but when an inventory was taken, the loss was \$51,000. He said it is amazing how much value can be accumulated in a single room. In another case a clothing store loss was first guessed at \$75,000 and the inventory showed it to be \$110,000.

Stores and factories are overstocking, and values are up about 100% in the last 18 months, he said.

Estimates of replacement cost may be thrown awry by reason of the fact that delivered price on many items is above market quotations. Mr. Beatty said this applies especially to steel. He told of a case in which a man received a quotation of \$350 a ton on replacing a loss on steel. Another supplier said that \$120 a ton was the correct price, but he couldn't supply any. It was discovered the going price ran from \$300 to \$375. Thus adjustments are sometimes delayed until a delivery price can be ascertained instead of a quotation price.

On U. & O., Mr. Beatty said the main

problem is the time element. When an insured has a loss sometimes he will move to a new location, renting or buying another building. Then it becomes difficult for the adjuster to figure out what the correct rebuilding time would be. Contractors offer a wide range on this subject.

R. E. Baker, the new public relations director of W.U.A., made an excellent impression in his first appearance before the Illinois field men. Mr. Baker declared that literature and pamphlets do not constitute public relations, that the job must be done by personal contact.

He outlined the plans for the next few months in the public relations field and asked each member to make one talk in the next three months before some local body. Those talks would be the equivalent of several million dollars of publicity, he said.

Garrett Columbus President

J. H. Garrett, Business Men's Assurance, has been elected president of Columbus (O.) Assn. of A. & H. Underwriters. Albert E. Richey, Mutual Benefit H. & A., is vice-president; Earl Caulkins, Loyal Protective, secretary; William H. Kersker, Jr., Monarch Life, and Floyd L. Turner, Connecticut General, trustees. Warren L. Schwochow, Beacon Mutual Indemnity, is retiring president; Harold F. Swisher, state president, installed the new officers.

Howard J. Burrage of Cincinnati, president of THE NATIONAL UNDERWRITER, on Saturday of this week is completing 35 years with the organization. He started as a youth in a sales capacity, traveling extensively throughout the middlewest and then for a number of years, operated in an editorial and news gathering capacity. He later became sales manager and then general manager of the organization from which position he was advanced to the presidency upon the death of John F. Wohlgenuth.

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Cal. Dwelling Rates Cut, Other Lines Increased

Pacific Fire Rating Bureau is publishing numerous fire insurance rate changes for California June 16.

The major reductions are in the residential class. For example, bureau rates on private dwelling houses containing not over four family units under one roof, and contents, have been reduced by as much as 22%.

There is a 25% downward adjustment in rates for extended coverage on dwellings together with the reductions in the fire rates.

Rates on certain other classes of property are adjusted upwards because of high loss experience over a five-year period. However, the net effect is estimated to be a reduced premium for the state as a whole of about 5%, because the reductions for dwellings are more substantial in total than the increases.

The average fire insurance rate in California which was over \$1 25 years ago, is now less than 60 cents.

How Two Innocent Chemicals Caused Trouble

One of the demonstrations sometimes made by fire prevention engineers is a combination of two chemicals, which in their separate commercial form, are quite innocent, but which either explode or burn fiercely when they get together.

At the Bushwick branch postoffice in Brooklyn last week a bottle of hair dye and a small keg containing a yellow bleaching powder tumbled from the top of a carload of parcels. As the chemicals in the dye and powder mixed, they caused a series of explosions, fire and smoke. Five persons were injured and a considerable quantity of parcel post was scorched. The ordinary fire extinguisher, which was used by one of the post office employees, resulted in only a cloud of pungent smoke that forced most of the other employees to leave the building. Another employee smothered the fire with empty sacks but collapsed from smoke. When one of the employees started to scoop up the yellow powder and pour it back into the keg, another explosion occurred with enough force to knock two employees down. The flames finally were subdued by Foamite.

Narden at Waukesha, Racine

WAUKESHA, WIS.—Norman Narden, chief auditor of Fire Insurance Rating Bureau, Milwaukee, discussed its operations at a dinner meeting of the Waukesha County Assn. of Insurance Agents. Urban Krier, executive secretary of Wisconsin association, discussed association activities.

Mr. Narden will speak before the Racine Insurance Board June 21.

Form Columbia Co. Group

WISCONSIN DELLS, WIS.—Columbia County Assn. of Insurance Agents has been organized with these officers: M. W. Tofson, Wisconsin Delles, president; Irving Phoenix, Portage, vice-president; L. H. Albertson, Wisconsin Delles, secretary, and Urban Eulberg, Portage, treasurer.

Miss Louise Hill, a principal in the Sloan & Irvine agency, Chattanooga, was married to Robert M. Hancock at Atlanta. She will continue in the agency.

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Program for Ala. Meeting Announced

Speakers at the annual meeting of Alabama Assn. of Insurance Agents at Tutwiler Hotel, Birmingham, Sept. 8-9 will include Frank P. Samford, president of Liberty National Life, who is also president of the state chamber of commerce; Joseph F. Leopold, Dallas, director southwestern division National Tax Equity Assn., and Joseph S. Mead, Birmingham insurance attorney, who has counseled the association on legal matters in the past, discussing the professional aspect of the local agent's functions. Representatives of N.A.I.A. also will be on the program. President Neal Morgan of Heflin will preside.

On Sept. 8 there will be meetings of the executive committee, directors, legislative committee, and others. The get-together dinner in honor of past presidents will be held that evening. Jesse C. Hearn of Roanoke, immediate past president, and new state national director, will preside.

At 8 a.m. Sept. 9 there will be a breakfast conference for farm underwriters and small town agents. John S. Huffman of Fairhope, chairman rural agents committee, will preside. One of the guests will be A. A. Orrender, farm underwriter southern department of Hartford Fire, Atlanta.

The first business session, for members only, will be held Thursday morning, Sept. 9. A special luncheon for visiting women will be given that day by Insurance Women of Birmingham and wives of Birmingham members. Thursday afternoon and Friday morning there will be open sessions. The annual dinner dance will be held Thursday night.

David W. Hamilton, vice-president of the Birmingham association, is general chairman.

Diemand Presents Award

John A. Diemand, president of North America, at a dinner at New York presented the Diemand trophy to Franklin Vanderbilt and James R. Rooney, managers of the New York office of Indemnity of North America. The award is given each year by Mr. Diemand to the Indemnity office having the best all around record for excellence of operation.

Others present from the head office were H. P. Stellwagen, executive vice-president, and C. S. Roberts and James M. Crawford, vice-president of Indemnity.

Chicago Branch Has Outing

Brokers and agents associated with or placing through the Insurance Exchange branch office of Continental Casualty in Chicago were treated to their annual all-day outing at Knollwood Country Club northwest of Chicago.

Henry Lustgarten, resident vice-president in charge of the office, was host and there was a large attendance of home office officials of Continental Casualty and the companion Continental Assurance and Transportation. Included were Roy Tuchbreiter, president of the three companies; M. P. Cornelius, general counsel, and Norman Hoag, vice-president. Many staff men of the branch attended, among whom was George R. Robson, vice-president in charge of the life section of the branch.

Buffet lunch was followed by a round of golf, a fellowship hour and then dinner at which the Roy Tuchbreiter award was presented to James Magner and the Transportation award to R. S. Pribble.

Woman Puts Bite on Globe

CHATTANOOGA—Globe Indemnity, as bondsman for Sheriff Grady Head, has been named a defendant in a \$90,000 damage suit by a woman who charges the wife of a deputy sheriff bit her.

A VALUABLE PLAN



To Complete the Insurance Coverage on Closely Held Corporations

Insurance programs for business are rarely complete with only fire and casualty insurance. Any partnership, proprietorship, close corporation, or company with one or more key men important to its continuing success, needs life insurance, too.

Property insurance will not help if an officer-stockholder dies and his widow seeks to exercise her part ownership, or expects to take as much from the company as her husband did. Protection is incomplete if the sudden death of a sales manager or research director will embarrass the company. What would you do if your partner's heirs wanted his share in your business? Life insurance, properly applied, will prevent financial loss to businesses in situations like these.

FREE Selling Portfolio . . .

Get a copy of Connecticut Mutual's new visual selling kit "Safeguarding the Stockholders of the Close Corporation". See how easy it is for you to add substantial commissions from your present commercial clients. At the same time you will solve very serious future financial problems for many of them. This visual booklet is easy to use—you show it to your prospect and he reads the sales story, point by point, from the booklet. Complete instructions on the use of the booklet are sent with it.

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NU-48

NEWS OF FIELD MEN

Ala. Blue Goose Names Stark M.L.G.

Alabama Blue Goose at its annual meeting at Birmingham elected these officers: Most loyal gander, Lawson Stark; Loyalty group; supervisor, R. M. Campbell, general agent; custodian, L. V. Cantey, Alabama Inspection & Rating Bureau; guardian, Fornie Hughes, North British & Mercantile; keeper, Malcolm Waitt, Springfield F. & M.; welder, C. C. Chandler, Aetna Fire.

It was voted to increase dues in order to provide for the additional dues to be paid to the grand nest. Cliff G. Key and Sam Bigger were elected life members.

C. H. Avery, New York Underwriters, retiring M. L. G., was presented a past M. L. G. gold pin.

Messrs. Stark and Campbell were elected delegates to the grand nest.

McGaw Retires, Youmans Takes Reading Post

Charles W. McGaw, fire and marine manager for Travelers at Reading, Pa., has retired and William C. Youmans, who is casualty manager there will also take over the fire and marine lines.

Mr. McGaw joined Travelers in 1925 in eastern Pennsylvania. He had previously been special agent for Commercial Union and Underwriters Assn. of the Middle Department for 16 years.

W. Va. Blue Goose Elects

CHARLESTON, W. VA.—The annual meeting and golf tournament of West Virginia Blue Goose and Field Club of West Virginia was held here with a large attendance.

Fred C. Campbell, Royal-Liverpool,

Wheeling, was elected most loyal gander of the Blue Goose. Parker H. Brady is supervisor; Gene MacShane, guardian; James M. Altman, custodian; Walter Jennings, welder; D. F. Fuller, keeper.

Mr. Campbell won the Douglas Golf Trophy.

Colorado Pond Elects Minner as M.L.G.

The 40th anniversary annual meeting of Colorado Blue Goose was held at the Cactus Club, Denver, with E. J. Beauvais, most loyal grand gander, Montreal, as honored guest at the banquet and principal speaker. A barber shop quartet of members provided entertainment.

The new officers elected are: W. E. Minner, Jr., Aetna Fire, M.L.G.; Roy D. Wilcox, general agent, supervisor; J. N. Hamil, Phoenix, custodian; T. D. Merrell, Home, guardian; A. J. Reed, Reed & Co., keeper; Ed. Curran, Mountain States Inspection Bureau, welder.

Springfield Puddle Elects

Springfield puddle of Illinois Blue Goose has elected E. F. Conour, North British, bull frog; Guy D. Moore, Funkhouser-Moore general agency, tadpole, and J. B. Homblédal as croaker. Mr. Conour was elected president of Illinois Fire Underwriters Assn. last week.

The golf tournament was won by O. H. Sturgeon, Pearl, and H. G. Heckman, Western Adjustment.

McCartney in Va. Field

Wright McCartney is the new special agent of Great American for eastern Virginia. He succeeds J. A. Hodges, Jr., who recently went with Firemen's Fund as special agent for Virginia. Mr. Hodges replaced W. Freeman Dance, Jr., transferred to the southern department at Atlanta. Mr. McCartney was formerly with Great American at Washington. He will have his headquarters at Richmond.

ment at Atlanta. Mr. McCartney was formerly with Great American at Washington. He will have his headquarters at Richmond.

Loyalty Group Readjusts Field Representation

J. G. M. Berry, for the last 12 years district manager of the Loyalty group in Arizona, has resigned to become associated with the Valley National Co., one of the largest agencies in the state. He is succeeded by C. R. Taylor, who has been special agent in the Sacramento Valley for the group for seven years.

R. D. Langton, who formerly traveled Texas, has been appointed special agent for the group at Salt Lake City.

W. V. Crawford has been appointed special agent at Portland, Ore. He has been in the Portland office for many years.

Name Seeberg in So. Cal.

George B. Seeberg has been appointed special agent of Corroon & Reynolds in southern California, where he has been located since he joined the organization in 1946. A graduate of Harvard Military School in Los Angeles and the army air force school, he was a captain in the air force until the middle of 1945. He will assist State Agent V. S. Kerans and Harold L. MacBride, special agent.

Ault Sent into Field

Robert A. Ault has been appointed special agent in northern California by Great American. He succeeds W. K. Kolstad, recently transferred to handle the San Joaquin Valley with headquarters in France. Mr. Ault has been in the Pacific department headquarters since he joined the company shortly after being discharged from the service.

Nichols Succeeds Lantz

St. Paul Fire & Marine announced retirement, for health reasons, of William H. Lantz, state agent for Delaware and District of Columbia, with headquarters at Baltimore. He is being succeeded by John Nichols, who has been special agent for that territory under Mr. Lantz.

DuSell to U. S. A. in Ohio

Cyril L. DuSell has joined Underwriters Service Assn. as field man for southern Ohio and part of Kentucky with headquarters at Columbus. He takes the place of Ellis H. Doane, Jr., who has been appointed assistant manager at the head office at Chicago.

Mr. DuSell graduated in fire protection engineering at Illinois Institute of Technology in 1937 and was with Ohio Inspection Bureau until 1946. For the past two years he has been special agent for Home at Chicago.

Tenn. Field Men Hear Baker

R. E. Baker, public relations director of Western Underwriters Assn., will be the principal speaker at the joint meeting of Tennessee Fire Underwriters Assn., Tennessee Blue Goose and Tennessee Fire Prevention Assn. at Look-out Mountain, June 23-24. Officers will be elected for the three groups and there will be a Blue Goose initiation, golf tournament and banquet.

E. J. Scudder to Mo. Field

Commercial Union has appointed Edward J. Scudder as special agent in Missouri, with headquarters at St. Louis. He is a war veteran and has been with the Commercial Union all of his business career, advancing through the various positions at the head office.

Field Club Honors Jordan

William A. Jordan, Virginia state agent of Royal-Liverpool, was presented an inscribed silver pitcher by Stock Fire Insurance Field Club of Virginia in recognition of his service as president

the past year. The presentation was made by D. L. Coulbourn, state agent of National Fire, at a luncheon at Richmond.

Schroeder to Nat'l Union

William E. Schroeder has joined National Union as special agent in the Wayne county department with headquarters at Detroit. He is a native of Chicago and started in the insurance business as an examiner, subsequently engaging in inspection work and for the past several years has been special agent in Michigan for Great American.

E. J. Beauvais, M.L.G.G. of Blue Goose, spent last Thursday at Indianapolis in conference with members of the Indiana group. This was a detour on his way home to Montreal after visiting several ponds in the far west.

Southern California Fire Underwriters Assn. heard Jo Gogin give some interesting experiences in his 30 years as a private investigator.

Ohio Stock Fire Insurance Speakers Assn. held a tall story session Monday. Clarence G. McCray of Columbus was toastmaster.

Mich. Regional at Bay City

BAY CITY, MICH.—A regional meeting of Michigan Assn. of Insurance Agents opened here Wednesday evening with the Bay City association as host at dinner. A dozen counties were represented, with nearly 100 in attendance.

Joyce & Co. in New Location

Joyce & Co. of Chicago has moved to new quarters at 309 W. Jackson boulevard where it occupies 45% more space than at its former location in the Bankers building. It had been located in the Bankers building 20 years.

WANT ADS

Large, national mutual Fire Insurance Company has opening for intelligent, aggressive young man 24-28 to train in all branches of the Fire Insurance business. College education or equivalent. Starting salary \$2,600—increased to \$3,000 first year. This position will particularly appeal to man now in the Fire Insurance business but who cannot see opportunity for prompt advancement in present situation. Address Q-76, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

PRIVATE OFFICE TO RENT

Desirable location Insurance Exchange, Chicago, at reasonable rate. Includes reception room facilities and filing cabinet space. Address Q-79, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

WANTED FIRE UNDERWRITER

Established Chicago agency desires experienced woman fire underwriter. Excellent opportunity. Salary commensurate with ability. Reply Box Q-76, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

MAPS FOR SALE

One complete set and several extra volumes of Cook County Illinois fire maps. Also 5 metal fire map cases. The Automobile Insurance Co. of Hartford (F. H. Doyle), 120 So. La Salle, Telephone Andover 1925.

AMBITIOUS OFFICE MAN, needed in Fire Claim Department to understudy supervisor. Excellent opportunity; five day week; Loss experience, also typing ability desirable. Oil Insurance Ass'n. Ins. Exch. Bldg., Chicago.

MARSH & McLENNAN

INCORPORATED

Insurance Brokers

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Buffalo	Cleveland	Columbus	Indianapolis
Superior	Duluth	St. Paul	St. Louis
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NATIONAL INSPECTION COMPANY CHICAGO, ILLINOIS

Service to Stock Fire Insurance companies for 45 years.
Inspections and Underwriting Reports.

J. G. Hubbell, Managers
H. B. Chrissinger, Managers
R. L. Thiele, Ass't. Mgr.
P. A. Pederson, Chief Inspector
R. M. Hubbell, Field Supervisor

LARSON IS NEW N.A.I.C. CHIEF

(CONTINUED FROM PAGE 1)

and these need to be correlated in orderly fashion.

Some changes were made in the actions taken at previous conventions and that are contained in the code. For instance, there was stricken from the record the provision that if an insurer has \$1 million or more of premiums in a particular zone, that zone is automatically entitled to representation in the examination. Also the former provision that all reports of examination are to be submitted through the chairman of the examinations committee was amended to provide that this must be done only if there are majority and minority reports.

Assigned Risk Plan

Gibbs of Texas in reporting for the casualty and surety committee, said that the new uniform automobile assigned risk plan is a matter for individual state action and hence the committee is refraining from making recommendations on it.

Parkinson of Illinois asked the casualty committee to give consideration to the matter of a five-day cancellation clause in insurance policies. He said that this would have tragic consequences for an assured if he were away from home at the time the notice were sent out.

Butler of Texas in reporting for the laws and legislation committee, said that the three drafts of bills calling for federal legislation to control the activities of unlicensed mail order insurers that were submitted for consideration by Downey of California were considered. A resolution was adopted urging each commissioner to use all lawful means to get insurers in his state to insert in their policies a provision to allow policyholders to bring suits in their own states and to appoint the commissioners of foreign states for service of process. Also the resolution recommended that each state give publicity to the evils of the situation and to try to get the so-called reciprocal bill passed, this being the one that provides that a home state insurer must be licensed in every state in which it does business. Also the resolution stressed that the individual commissioner should aid federal authorities in the prosecution of fraudulent mail order insurers.

Merge Committees

On the recommendation of Pearson of Indiana, the real estate committee as an independent entity, was done away with and its work was transferred to the taxation committee. Mr. Pearson said that the committee has been deeply concerned with inflated values of real estate, but there has been little definite activity.

At this final session there was an amendment to the report of the A. & H. committee on the forms for reporting A. & H. experience by policy form commencing June 30, 1949. The earlier report had given the option to insurers of reporting on the basis of premiums written and losses incurred or premiums written and losses paid. This was amended to recommend that the commissioner call for the earned-incurred figures unless a company certifies that its records are so set up that it is impossible to give the figures on other than a paid-written basis.

Harrington of Massachusetts, reporting for the multiple lines committee said that 37 states now have multiple line legislation while six additional states permit such writing, this making a total of 43. He recalled that at the Miami convention last December, a resolution was adopted urging states that have not already done so, to enact multiple line laws.

Mr. Harrington recalled that the committee had taken up the matter of relationship of premium reserves and amount of premiums to surplus. He said the committee had concluded that there is no specific yardstick that could be used to judge all companies. In order to arrive at a correct decision, it would be

necessary to investigate the operations of each company going into the general nature of its business, classes of business, volume in each class, the territory in which it operates, loss and expense ratios, loss reserve, effect of rate increases or decreases, reinsurance facilities, cash position, quality of investments and other factors.

McCormack of Tennessee said he has audited every company that operates in his state and he said the association should not take any action that could be interpreted as restraining a commissioner from using any factor that he desires in judging a company.

Dineen of New York said the committee had "wrapped up a delightful left hook and put it in a love note." He said he surmised it was directed at the New York department and declared: "I understand the pitch." He said New York will have to continue to call any company to task if it writes too much business for the amount of its capital. Harrington declared that all that the committee said was that in addition to a rule of thumb, there should be considered all of the relevant factors that constitute safeguards to the public. The problem, he said, is an acute one because of the market situation. He asked how the states can criticize a company for being restrictive in its underwriting if the states use a rule of thumb that prohibits companies from writing business.

Payment of Dividends

McCormack said that Tennessee had expressed objection to companies paying dividends to stockholders when they were operating at a loss. Harrington said that the committee simply felt that the state should not get anchored to a narrow test so that the public would be deprived of insurance.

Martin Lewis, general manager of Surety Assn. of America, appeared at a meeting of the rates and rating organizations committee. Some fast editing and publication work had been done by his organization and he was able to distribute at that time a 44-page pamphlet "Economics of Suretyship" by Jules Backman of New York University, who has been employed by Surety Association to engage in research work on fundamental questions involving suretyship. This pamphlet is chock full of statistics and the tracing of trends, together with some underlying conclusions of the author including his assumption that any attempt to set rates must necessarily be based upon the economic characteristics of the industry.

He said first, criteria must be established to determine the adequacy of the general level of rates; secondly, there must be an examination of the factors which determine relationships within that structure. No single theory of rate-making will be applicable to all bonding lines, he writes. Insurance principles will apply at some points, a service fee concept is necessary in others while other principles may be necessary for still other lines.

Mr. Lewis announced that Surety Association will have a complete report within four months. He said the objective is to get standards and criteria for surety ratemaking that will be fair, adequate and non-discriminatory.

One of the voluminous reports submitted was that of an industry committee on a proposed combined casualty and fire and marine insurance expense exhibit. Under this plan, for those companies writing multiple lines there is a column in each section for transfer of the total from one section to the other, depending on the type of carrier. For example, a casualty company writing fire lines would report such business in the fire section, bringing the total forward to the casualty section in the column provided. There have been added two items to provide for showing federal income taxes incurred and underwriting gain after federal income taxes for those companies that desire to make use of such items.



Confidence...

General of America's seal has become a symbol of confidence to insurance buyers throughout the nation. It usually identifies the offices of the leading insurance agents in thousands of cities and towns of the U. S. and Canada. To agents it is also a symbol of all-out company backing that makes it easier and more profitable for them to close sales.

GENERAL is the leader in providing new and better features in nearly every type of commercial insurance.

"The CAPITAL STOCK Companies of PREFERRED RISKS"

**GENERAL INSURANCE COMPANY OF AMERICA
GENERAL CASUALTY COMPANY OF AMERICA
FIRST NATIONAL INSURANCE CO. OF AMERICA**

H. K. DENT, President Home Office SEATTLE

Branch and Service Offices in Principal Cities Throughout the United States
CANADIAN DEPARTMENT, VANCOUVER, B.C.

EDITORIAL COMMENT

The Personality Factor

For the benefit of any of our readers that missed seeing in the daily papers the report of the speech of Joseph M. Dodge, president of Detroit Bank and president American Bankers Assn., at the convention of American Institute of Banking at Buffalo, we are reproducing a significant part of his message that can well be pondered by workers in the insurance vineyard up and down the line, and that needs no editorial elaboration on our part.

Mr. Dodge said that every bank and every business need people "who can see what should be done and do it." Too often, he declared, banks or businesses

have grown more rapidly than the people in them.

"Many individuals tend to think they should move up automatically with the large increase which has come about in the size of their bank or business from economic forces, even when they have done little to warrant it.

"Those who intend to progress must be sure to develop themselves as individuals and personalities as they add to their knowledge and experience. There comes a time when technical knowledge and ability are not enough. With equal abilities the most favorable personal factors will tend to carry the decision."

Flaw in Balanced Production Theory

In the talk about the need for balanced production one flaw in the principle is overlooked.

The principle itself is not new. Many agencies and some companies have sought for years to maintain what they thought was a good distribution of premium volume over the various lines that they write. Thus, it was not a good thing for an agency or company to have too much workmen's compensation in comparison with automobile, burglary, general liability, etc. This would achieve spread, so that if one line goes sour, it does not throw the whole business out of gear. There will be enough profits from other lines to stabilize the firm and keep it on an even keel. In the last couple of years companies and agents have sought to cut down the proportion of income from automobile because it was the big-unprofitable line.

The weakness in the principle is that it doesn't take into account the fact that some lines may grow, as the result of outside, economic forces, to the point where they occupy a higher spot in the relationship of all lines. This is happening with automobile. The passage of financial responsibility laws have tended to make automobile insurance almost a must for any car owner. Thus in New York state recently it was estimated that 96% of all automobiles were insured. This is a far cry from the 30%

insured only a few years ago.

It is hard to see how companies and agents can, countrywide, achieve a smaller proportion of automobile business, when its total volume is climbing to a new high in relation to other lines. Perhaps some agencies and a few companies can do this, but the business as a whole cannot long maintain any better proportion between lines than the aggregate production of those lines over all. Selection is important, but somehow the industry must accommodate the business or it will be taken care of outside. Never before has so much business been traipsing the street to find an open insurance door.

We think the answer is that each line has got to stand on its own feet. If a line is not profitable, then rate increases must come quickly. Under rate regulation no other approach seems feasible. The business cannot let, and the commissioners cannot permit a line to remain in the red and expect other lines to make up the difference. The other lines, now more closely figured than ever, won't be able to help out their poor relations.

The continued acceleration in volume of auto premiums, with the California financial responsibility law yet to come on July 1, dramatizes the fact that lines cannot be juggled for total over-all effect. Each has to pay its own way.

PERSONALS

William B. Mendes, U. S. counsel for Lloyds, is in London on a visit.

H. R. Hanawalt, who retired last year as assistant western manager of National Fire and since then has been in

California, has returned to Chicago for the summer. Mr. and Mrs. Hanawalt have bought a tract at Tucson, and they expect to build a permanent home there.

In recognition of 20 years with Hartford Fire and Hartford Accident, T. E. Ford, special agent at Salt Lake City, was awarded a gold pin at a party

there by F. J. Kennard of the claim department.

Robert E. Israel, head of the Israel & Son agency, was named mayor of Wichita last week. He previously had served as mayor in 1936-37 and has served on the Wichita city commission continuously since 1933 except for the four war years.

John E. Doble, who has been editorial representative of the "Insurance Field" at New York for some time, has resigned to return to his alma mater, Tufts College, Medford, Mass., to teach psychology.

Clarence Axman, editor of the "Eastern Underwriter," is in Europe for a few weeks and will attend the actuaries centennial in London. He will fly back at the end of the month.

E. M. Schoen, retired western department manager of Atlas, is bereaved by the death of his wife last Sunday at Passavant hospital, Chicago.

DEATHS

Miss Eliza Bryce, 46, since 1919 associated with the Tucker Insurance Agency, Beloit, Wis., died there after a long illness. She was assistant treasurer of the Republican party of Wisconsin.

John G. Kille, 72, veteran local agent at Attica, Kan., died of a heart attack at his home.

Tom C. McDonald, who operated a general agency at Tampa, died. Mr. McDonald was well known in Florida. He had been with Fireman's Fund for many years before starting his own general agency.

J. J. Spellman, 68, an investigator for the Illinois department, died of a heart attack while dining in the Stevens hotel in Chicago. He had been a member of the Lake county Republican central committee for 34 years and was its chairman from 1944 until last April.

A. J. Schunk, 71, Minneapolis local agent and former postmaster there, is dead. He had been in the insurance business nearly 40 years.

William F. Kramer, 74, chairman and former president of Reliable Fire of Dayton, died at his home there. He had been connected with the company since 1897. He was a native of Germany but had lived at Dayton since his boyhood. He was vice-president of City Railway Co. there and chairman of Merchants National Bank.

Henry D. Wilson, prominent local agent of Grand Rapids, was stricken with a heart attack while on a sidewalk in his city and died before arriving at the hospital. Before the first war Mr. Wilson was in the advertising department of the Grand Rapids "Press" and after serving in uniform he opened a local agency at Grand Rapids in 1928. He was a past president of Grand Rapids Assn. of Insurance Agents. His age was 56.

David A. Bell, 16 years local agent at White Plains, N. Y., died there. He was 67.

Stock Issue Plan Reported

According to a bulletin of the A. M. Best Co., Fireman's Fund is contemplating the issuance of new stock.

George Gibson, Jr., Heads Ky. Field Organization

FRENCH LICK, IND.—Kentucky Fire Underwriters Assn. at its annual meeting here elected as president George Gibson, Jr., London-Lancashire vice-president, E. A. Henn, Royal Liverpool; secretary, R. Leland Meeks; Fidelity & Guaranty. On the executive committee are E. C. Hill, Aetna Fire; Smith Holland, America Fore; Shirley Lawrence, Camden.

New Kentucky Blue Goose officers are: Most loyal gander, T. J. Nicol, Aetna Fire; supervisor, C. A. Smith, Western Adjustment; custodian, Curtis B. Tarter, Home; guardian, Henry Timmons, Automobile; keeper, Richard L. Langan, Great American; welder, George Stetner, North America.

Ray Hull, grand custodian, was present.

The Indiana field men are meeting here at the same time.

Pa. Insurers Must Comply

Commissioner Malone of Pennsylvania has issued a warning that any insurer that writes any type of motor vehicle insurance must comply with the casualty and surety rate regulatory act. He said that a number of domestic mutual fire companies that are exempted from the fire rate regulatory act but also write auto fire, theft and collision insurance have made no rate filings nor have become members or subscribers of a rating organization. Mr. Malone stated it was clearly the intent of the legislature that all forms of motor vehicle insurance whether written by casualty or fire insurers, were to be regulated under the casualty rating act.

STOCKS

By H. W. Cornelius, Bacon, Whipple & Co., 135 S. La Salle St., Chicago
June 14, 1948

	Div.	Bid	Asked
Aetna Casualty	2.00	84	86
Aetna Fire	1.50*	46	47½
Aetna Life	2.10*	53	55
American Alliance	1.00*	22	23½
American Auto	1.20	40	42
American Casualty .....	.80	11½	12½
American Surety	2.50	61	63
Baltimore American .....	.50*	7½	Bid
Boston	2.20	65	69
Camden Fire	1.00	19½	21½
Continental Cas.	2.00*	56½	58½
Fire Association	2.50	56½	58
Fireman's (N. J.) .....	.50	14½	15½
Franklin Fire	1.00	21½	Bid
Glens Falls	1.60	45	47
Globe & Republic .....	.50	10	11
Great Amer. Fire	1.20*	31½	33
Hanover Fire	1.20	27	28½
Hartford Fire	2.50*	114	117
Home (N. Y.)	1.30	28	29
Ins. of N. A.	3.00*	165½	167
Maryland Cas.	1.50	15½	16½
Mass. Bonding	1.60	27	29
National Casualty	1.25*	26½	27½
National Fire	2.00	45½	47
National Lib. ....	.30*	7	Bid
New Amsterdam Cas.	1.00	27½	29
New Hampshire	1.00*	42	43½
North River	1.00*	24	25
Ohio Casualty .....	.80	40	Bid
Phoenix, Conn.	2.00*	88	91
Preferred Accident .....	.40*	4½	5
Prov. Wash.	1.40*	33	35
St. Paul F. & M.	2.00	79	81
Security, Conn.	1.40	27	28½
Springfield F. & M.	1.90*	44½	46½
Standard Accident	1.45	32	33½
Travelers	18.00	590	605
U. S. F. & G.	2.00*	51½	52½
U. S. Fire	2.00	54	56

*Includes extras.

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**FIRE • INLAND MARINE
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May Fire Losses Are Higher by 4.8%

NEW YORK — May fire losses totaled \$59,256,000, according to the National Board. This was an increase of 4.8% from the same month last year. For the first five months losses aggregated \$331,774,000.

Dineen Move May Spell Doom of 5-Year Plan

(CONTINUED FROM PAGE 1)
policyholder. These uncertainties in the long range forecast may result in the filings being disapproved.
Accordingly the department suggests that the problem of unduly long terms be earnestly considered in conjunction with the reasonableness of present discounts, and that the rating organization be prepared to act on both at the same time. In the study the department assumes that the group will consider the practical effects of any changes recommended not only on the member or subscriber companies, but upon buyers and producers as well.

Summer Brings Boom to Assigned Risk Managers

Many of the optimistic public who expect the weather to improve for summer have apparently gone all out to get automobile insurance with the result that assigned risk plan offices are jammed with more applications for coverage than were submitted during last year's record high. The new plan's simplicity is helpful in speeding the papers through. New applications are being printed and will further facilitate handling the business.

Rate increases have not made the companies any more appreciative of automobile business and much of it is being shoved toward the assigned risk plans. But one official states that no matter how high the rates go the companies should not underwrite motorists with records of hit and run or drunken driving. Not only do these people go right out and get into more accidents, but sharp lawyers are able to use their past records to get maximum verdicts frequently in excess of \$5/10 limits written on assigned risk plan business. Some underwriters think that the only way to treat people with bad records is to soak them with surcharges so that they appreciate insurance when they get it and drive carefully.

Some critics in the business feel that underwriters are not making enough use of the permissible surcharges and other underwriting prerogatives when they take assigned risk cars. One official said that after the automobile underwriters have been on the job for six months or so and are acquainted with the ropes they either get promoted transferred, or quit and leave without their knowledge being transferred to their successors who go on making the same mistakes until they learn differently by which time the process is repeated.

Three New Safety Guides

Assn. of Casualty & Surety Companies has brought out three new pocket-size safety guides, entitled: "Your Guide to Safety When Blasting," "Your Guide for the Safe Use of Hand Tools," and "Your Guide to Safety as a Theatre Employee."

Gilbert E. Rickard, formerly with Morrell P. Totten & Co., at Seattle, has opened an independent adjusting office at Chehalis, Wash.

John Hartshorn has sold his agency at Festus, Mo., to the Clifton agency.

The Jones-Kruse agency, Jefferson City, Mo., has purchased the L. D. Thompson agency there.

R. Clyde Rollins, Miami local agent, has moved to 807 Pacific building.

More Results from Health Effort Than W.M.D. Legislation

An effective solution to the health problems of the United States calls for the expansion of U. S. Public Health Service and other public health agencies, greater study for more effective distribution of health and medical personnel, hospitals and rural medical facilities, and coordinated research on heart disease, cancer and dental health rather than the enactment of compulsory health insurance proposals, Harold R. Gordon, managing director of H. & A. Underwriters Conference, asserted on a radio discussion over the Columbia network. He was one of four participants on the forum, "Cross Section—U. S. A.," discussing "Shall Congress Pass National Health Insurance Legislation?"

He cited the Brookings Institution report statement that "the people of this country enjoy on the average the best health of any nation, that our voluntary system of medical care has made greater progress in the application of medical and sanitary science than any other country, and that compulsory health insurance was not a satisfactory solution to many of our health problems."

The report, Mr. Gordon said, recommended that the national government would be wise to leave to the individual states the question of whether compulsory health insurance should be adopted but it recommended the continuance of voluntary measures for health insurance and pointed out the tremendous growth of voluntary medical care and hospital insurance the past 10 or 15 years.

No Governors for W. M. D.

When copies of the two principal national health proposals were sent to the governors of the 48 states, he said, 40 of them replied and not one indicated a preference for the Wagner-Murray-Dingell bill, while 25 favored the Taft bill.

Mr. Gordon suggested that a basic national health program should include the three main principles reached by the executive committee of medical care section of the National Health Assembly: (1) That adequate medical service for the prevention of illness, care of sickness and promotion of a high level of physical and mental health should be available to all; (2) that sound financing of personal health services requires (a) application of the principle of prepayment or insurance and (b) use of public assistance for services not covered in the prepayment or insurance programs, and for persons for whom public responsibility is acknowledged; and (3) that high standards and reasonable costs require close coordination of the services of physicians, hospitals and other health agencies, in all phases of prevention, diagnosis and treatment."

Advance Accounting Men

As part of a reorganization of its statistical accounting operations, North British has advanced Eugene Staggs to comptroller. G. T. Schoenecker (general accounting), W. F. Class (audits) and Albert Lies (statistics) become assistant comptrollers. Assistant Secretary Frank Trost remains in over-all supervision of all accounting.

Louis H. Antoine, St. Louis manager of American - Associated companies celebrated 30 years of association with American Automobile Monday. He spoke that day on "Safety from the Insurance Viewpoint" as one of the representatives of Insurance Board of St. Louis at a meeting of St. Louis chapter of American Society of Safety Engineers. Oden D. Prowell, George D. Capen & Co., president of the board, was its other representative.

Michigan Surety has applied for admission to California to write automobile and miscellaneous lines.

J. Glen Liston, Seattle local agent, has purchased William L. Warren agency there.

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NOTICE
This advertisement will be
at work in the June 14th
issue of TIME and the July
issue of THE AMERICAN
HOME. Watch for it.

Imagine Meeting You Here

Actually, it is not unusual to find an insurance man climbing out of (or into) a boiler. Wherever you find machinery and people at work you'll frequently find an insurance engineer.

His job is to seek out conditions which might cause accidents and to decide what's to be done to keep people

safe and on their jobs. That calls for the application of substantial engineering education, knowledge, experience and good judgment. Inspecting boilers, teaching people how to work safely, developing safety programs for industry — these are among the essential services insurance men and women provide to America through the local Insurance Agent.

The Insurance Man Serves America

The Employers' Group consists of three sound, progressive insurance companies writing practically all types of fire and casualty insurance, as well as fidelity and surety bonds. With the help of thousands of carefully chosen agents throughout the country, we serve people in all walks of life with planned insurance protection programs.



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Independent Adjusters Revise Official Setup

Explore Ways of Improving Service to Companies: Elect Whitney

NEW YORK—National Assn. of Independent Insurance Adjusters at its annual convention here amended its constitution to do away with the three vice-presidents formerly in charge of the various lines of insurance and the five elected members composing the executive committee. In their place there will be six regional vice-presidents. The purpose is to make more effective the work



ROSS WHITNEY

of supervising the membership in the different sections of the country.

The regional vice-presidents together with the other officers and the past president will constitute the executive committee. The following were elected regional vice-presidents: Vincent Scully, Newark, eastern; M. B. Arnold, Miami, southeastern; R. T. Gustafson, Omaha, Rocky Mountain; C. E. DeWitt, Dallas, southwest; Earle Wright, San Francisco, Pacific coast and R. L. Lynch, Springfield, Ill., midwest.

Resolutions were adopted to provide for "self-policing of the membership in the hope of reducing delays, improving reporting, and doing other things which will result in better service."

Approximately 150 attended the meeting. At the dinner dance Saturday night about 300 were on hand, including approximately 70 executives.

Competent Adjuster Appreciated

The competent independent adjuster is appreciated today as never before, Prentiss Reed, New York City, said in his presidential address. He pointed out that the country is at the beginning of a new era of growth. Births are up, there is a tremendous increase in housing ahead, more automobiles are on the road. There is ahead of the country more people and more property which means more insurance and the need for more adjusters. The independent adjuster has an insured place in the insurance world, he declared.

Donald B. Sherwood, general adjus-

(CONTINUED ON PAGE 27)

Settle for \$122,000 in N. Y. Auto Case

Settlement of a \$122,000 automobile B.I. case was made in New York supreme court with three companies contributing. The award was made to Harold K. Bernhardt, 20, whose left leg was amputated as the result of an automobile accident a few minutes after the youth had signed up for the marine corps in 1946.

The suit was brought against Realty Hotels, Inc., operators of Hotel Biltmore, and Electrol, Inc., electrical appliance firm of Kingston, N. Y. A car owned by the electrical appliance firm was being moved from in front of the hotel by a hotel employee when it jumped the curb, pinning the boy against the building.

Hartford A. & I. had \$5,000 coverage on the hotel with an additional \$95,000 carried by American Reinsurance. Aetna Casualty had a policy covering damages in excess of \$100,000 but had no contribution to make as the verdict against the hotel amounted to \$81,000.

Hartford contributed \$5,000 and the reinsurer \$76,000.

The \$41,000 verdict against the electrical appliance company was paid by Employers Mutual Liability of Wausau. Damages against the driver of the vehicle was not assessed, nor did the garage where the vehicle was to be placed have to make any payment through its insurer, Sun Indemnity.

Liability of the owner of the vehicle was covered by omnibus clause in its policy which protects the firm when other persons drive its vehicles.

Jackson Urges Higher Ethics

W. W. Jackson, administrative vice-president of American Hospital & Life, addressed San Antonio Assn. of A. & H. Underwriters on the importance of observing a high code of ethics in the sale of disability insurance. He paid tribute to the high type of men found in the insurance business, but pointed out the need for alertness in meeting the situation created by salesmen who go out to get money without regard to obligation to the buyer.

O. D. Harlan announced that E. Ethridge Brown, president of Robert E. Lee Life, would be host to the association at a barbecue dinner June 17.

Heavy Glass Loss from Maneuvers

MEMPHIS—Although the explosives used in the combined army, navy, marine and coast guard technical maneuvers at Mud Island last week were of the "blank" variety, reverberations from them were strong enough to break scores of windows in downtown buildings here, especially in the Falls building and Cossitt Library. There was reported to have been "some mistake" in the strength of the explosives.

Uniform Accounting Conference Under Way at New York

The joint industry group that has been dealing with the matter of uniform accounting was scheduled to go into a conference this week with Thomas Morrill of the New York department to try to reach an agreement on some of the features of the New York proposals that are regarded by the company side as objectionable.

Arrangements for this conference were made during the Philadelphia convention of National Assn. of Insurance Commissioners. The industry group includes National Board, Assn. of Casualty & Surety Companies, American Mutual Alliance, National Assn. of Independent Insurers and others.

The New York department has called for briefs to be submitted by June 17. There will be a hearing June 22 and the department announces that on July 1 it will promulgate regulations to be effective governing the classification of expenses for the statements covering 1949 operations.

Whether willingness to participate in this conference indicates that the companies, and especially the independent group in the middlewest, are prepared to modify their insistence upon postponement of effective action so that there can be developed a more substantial agreement as to details remains to be seen.

The uniform accounting committee of N.A.I.C. at Philadelphia stated that proposed regulation No. 30 (the uniform accounting program) of the New York department had been placed before the committee in pursuance of the policy of consultation with the N.A.I.C. committee which the New York department has followed since the committee's inception. Since this proposed regulation will be the subject of an official hearing June 22, and is subject to such modification as that hearing may require, the proposal is not in final form and has not been submitted to the N.A.I.C. for its approval in detail. Hence, and also to give consideration to the recommendations submitted by the industry, no action is taken by the N.A.I.C. committee at this time, respecting a detailed system of uniform classification of accounts. The committee does, however, express its approval in principle of the uniform accounting proposals and requests that the committee be continued in order that it may give further study to the problem and make a report at the next meeting. The committee recommended that a special subcommittee of the blanks committee be appointed to work with the uniform accounting committee, on the problem of annual statement blanks and expense exhibits.

Interstate "Comp" Rating Action Again Deferred

Industry Leaders Disappointed at Failure of N.A.I.C. to Move

Gibbs of Texas reporting for the workmen's compensation committee, at the commissioners meeting at Philadelphia referred to the report that had been submitted earlier in the week by W. F. Roeber, general manager of National Council on Compensation Insurance, on the rate level adjustment factor. Mr. Roeber's committee had reported that subject to approval and endorsement by N.A.I.C., the insurers will introduce into the compensation ratemaking structure a rate level adjustment factor determined in accordance with procedure recommended in the November, 1947, report except that standard premiums and incurred losses are substituted for net earned premiums and incurred losses. This has the effect of eliminating the margin for contingencies which Mr. Roeber said is the major criticism directed against the originally recommended procedure. The only known source of calendar year standard earned premiums and incurred losses by states and excluding national defense projects is the special call for such experience which National Council issues annually. Accordingly it is proposed that the data obtained from this call shall be used in determining the rate level adjustment factor.

Problem of Deviations

When it comes to adjusting the premiums of deviating companies to a standard basis, Mr. Roeber said it may not be practicable to make the desired adjustment for those companies which deviate on other than a uniform percentage deviation applicable to all business in a particular state. It may be necessary to exclude the data of such companies from computations.

The plan provides for a spread between the calendar year loss ratio and the permissible, before a rate level adjustment factor, other than 1.000 becomes operative. There is discounting of the calendar year loss ratio in determining the rate level adjustment factor and a limitation of such factor between a minimum of .950 and a maximum of 1.050.

Mr. Roeber emphasized that no matter what the rate making procedure, it is almost a certainty that it will be found that compensation rates established in advance, before the policies have even been issued, will not exactly fit the experience that will be developed under those rates. To expect otherwise would be to expect the ability to forecast with exactitude future payrolls, compensation and medical losses.

Cites Original Concept

He recalled that the original concept of the purpose of the rate level adjustment factor was to develop such a factor, "based on underwriting results within a specified period in the recent past and limited in its effect to a moderate percentage of decrease or increase in the rate level otherwise determined."

Mr. Gibbs' committee recommended that the Roeber committee forward to the states a copy of its report and that each state submit any comments to Mr. Gibbs before Oct. 1. Also the committee

(CONTINUED ON PAGE 28)

Fuller Snaps Philadelphia Quartet

This quartet was photographed at the N.A.I.C. annual convention in Philadelphia by Harry H. Fuller, deputy U. S. manager of Zurich. From the left, they are T. T. Moore, comptroller, Shenandoah Life; Joseph W. Craft, vice-president of Bituminous Casualty; Director Thurman of Kentucky, and Roy L. Davis, Chicago manager for Association of Casualty & Surety Companies.



N.Y. "Comp" Expense Exhibit Study

The New York department has released its annual study of countrywide aggregate results in the workmen's compensation field of insurers that operate in New York. The compilation was made from the casualty insurance expense exhibits. Earned premiums and incurred losses are shown on a net premium basis after reinsurance. In-

curring losses are based on case estimate reserves and exclude allocated claim expenses. Because of fluctuations in premium volume from year to year, expense ratios have been adjusted so as to relate certain types of expense to written premiums in order to present more accurate results. Expense ratios do not include federal income taxes.

The department calls attention to the fact that when a substantial volume of premiums is written under various retrospective rating plans or graduated premium discount plans or their equivalent, the loss ratios thereunder would be expected to exceed the standard 60% permissible and the expense ratios would be lower than contemplated under the normal standard manual premium basis.

STOCK COMPANIES

Underwriting Ratios			Expense Analysis									
	Net premiums written	Losses incurred to earned	Exp. (adj.)†	Net gain (adj.)†	Claim exp. to earned	Acq. & ad. sup. to written	Gen. adm. to earned	Insp. & bur. to earned	Taxes & fees to written			
Acc. & Cas.	\$ 4,271,311	\$ 1,203,996	48.9	45.1	6.0	7.7	19.7	11.3	2.9	2.5		
Aetna Cas.	21,589,954	21,156,431	55.4	41.4	3.2	8.6	17.1	8.9	2.5	4.3		
Am. Auto	4,437,550	4,259,001	47.6	40.6	11.8	7.8	19.7	7.3	2.9	2.9		
Am. Cas.	2,806,623	2,797,499	51.2	42.9	4.9	11.3	20.5	7.3	1.8	3.0		
Am. Empl.	4,242,493	4,129,884	58.3	39.0	2.7	6.7	19.3	8.3	1.7	3.0		
Am. Guar. & Liab.	235,846	250,341	59.3	44.8	-4.1	12.2	19.0	7.6	2.7	3.3		
Am. Motorists	4,274,446	4,309,232	50.8	22.4	26.8	5.1	7.6	4.1	1.8	3.8		
Am. Policyholders	118,575	68,389	55.6	21.9	22.5	10.8	19.8	16.3	7.2	7.4		
Am. Surety	3,392,902	3,326,077	43.4	42.9	13.7	6.8	18.9	12.3	1.7	3.2		
Arex Ind.	418,699	406,468	57.3	28.8	13.9	9.6	10.6	3.6	1.8	3.2		
Associated Ind.	9,286,836	9,110,154	61.4	22.3	16.3	7.6	13.1	2.4	3.6	2.4		
Bankers Ind.	2,695,554	2,640,147	44.6	49.3	6.1	10.0	16.6	16.3	2.8	3.6		
Car & Gen.	840,273	868,500	44.3	45.3	10.4	9.2	19.4	11.2	2.7	2.8		
Central Surety	2,778,454	2,677,064	56.9	42.4	7	8.9	20.8	8.7	1.0	3.0		
Century Ind.	4,960,196	4,954,572	43.2	42.2	13.6	8.5	22.2	6.9	1.9	3.7		
Citizens Cas.	98,104	106,247	78.0	39.3	-17.3	9.0	20.9	5.8	1.4	2.2		
Columbia Cas.	1,785,884	1,732,062	81.0	41.0	-22.0	8.3	15.2	12.7	1.1	3.7		
Commercial Cas.	1,062,964	912,285	61.7	48.1	2	10.3	20.7	11.2	2.2	3.7		
Conn. Ind.	324,904	307,668	26.4	39.1	34.5	5.1	16.2	12.7	2.2	2.9		
Continental Cas.	8,663,467	8,513,927	55.4	39.8	4.8	9.4	16.3	9.7	1.4	3.0		
Eagle Ind.	1,592,425	1,354,473	43.8	38.8	17.4	7.6	16.3	9.0	1.9	4.0		
Empl. Liab.	15,290,610	15,196,110	63.4	36.1	3.5	6.7	16.9	7.6	1.8	3.1		
Fidelity & Cas.	12,929,464	13,046,774	60.9	35.9	3.2	7.4	18.3	5.8	1.0	3.4		
Fire Fund Ind.	3,868,565	3,785,321	50.9	39.5	9.6	8.1	16.6	10.2	1.6	3.0		
Gen. Acc.	6,982,546	6,750,193	59.3	38.1	2.6	9.3	17.5	6.7	1.6	3.0		
Gen. Cas. Seattle	648,439	563,523	53.7	28.0	18.3	10.4	7.8	5.2	1.6	3.0		
Genl. T. C. & S.	994,495	1,020,700	40.5	30.1	29.4	4.1	11.2	8.8	2.0	4.0		
Glens Falls Ind.	3,949,931	3,933,119	52.0	37.3	10.7	7.1	17.7	8.2	1.0	3.3		
Globe Ind.	8,354,547	8,126,838	43.8	38.9	17.3	7.6	16.2	9.2	1.9	4.0		
Gr. Am. Ind.	4,630,841	4,462,764	50.5	42.7	6.8	10.8	19.1	8.1	1.2	3.5		
Hdwre. Ind.	540,902	547,013	58.5	31.4	19.1	7.6	19.6	10.2	1.7	3.6		
Hartford Acc.	25,345,240	24,710,130	59.4	36.9	3.7	8.6	15.0	8.0	1.7	3.6		
Home Indemnity	701,404	591,743	66.2	43.3	-9.5	10.2	19.2	8.6	2.1	3.2		
Indem. of N. A.	6,936,267	6,535,754	55.6	45.0	-6	12.3	18.6	8.7	2.1	3.3		
London Guar.	4,851,395	4,430,462	47.9	40.5	11.6	8.1	15.4	11.7	2.2	3.1		
London & Lan.	1,276,316	1,239,313	48.2	38.8	13.0	7.7	17.8	8.0	1.9	3.4		
Mfcturs. Cas.	3,486,555	3,849,655	65.4	40.9	-6.3	8.4	17.7	9.8	2.6	2.4		
Maryland Cas.	13,442,669	13,105,255	54.4	34.9	10.7	6.7	16.5	5.9	2.3	3.5		
Mass. Bonding	6,975,332	6,589,080	62.4	40.4	-2.8	10.5	18.0	7.7	1.6	2.6		
Merchants Ind.	21,344	29,113	24.3	26.6	49.1	7.8	14.3	4.5	3.1	5		
Metropolitan Cas.	720,491	663,275	56.1	47.1	-2.2	11.6	16.2	18.1	1.8	2.7		
National Cas.	486,367	469,071	54.4	48.2	1.4	9.8	18.1	10.8	1.8	3.8		
National Surety	1,233,537	1,197,442	52.5	58.9	-11.4	11.7	23.8	13.8	5.8	3.8		
New Amst. Cas.	8,322,491	7,901,182	60.5	38.0	1.5	7.6	17.0	8.5	1.4	3.5		
New Eng. Cas.	393,996	359,346	60.9	40.8	-1.7	5.5	16.1	14.0	1.9	3.3		
N. J. Mfcturs.	10,115,663	10,041,004	45.6	12.6	41.8	4.5	1.4	4.2	.9	1.6		
N. Y. Cas.	1,345,364	1,238,448	56.9	39.4	3.7	9.0	17.5	7.2	2.1	3.6		
Nor. Union Ind.	70,629	68,177	43.9	42.9	13.2	5.0	18.8	12.8	2.5	3.8		
Ocean Acc.	3,580,013	3,548,450	57.9	42.1	-	8.4	16.1	12.7	1.3	3.6		
Peerless Cas.	366,586	347,646	73.7	32.8	-6.5	7.9	16.3	6.4	1	2.1		
Phoenix Ind.	2,294,154	2,176,954	54.5	41.6	3.9	7.2	19.6	10.2	1.6	3.0		
Preferred Acc.	1,435,486	1,460,246	49.0	53.4	-2.4	11.0	24.7	11.1	3.3	3.3		
Royal Ind.	7,658,335	7,449,601	43.8	38.3	17.9	7.6	16.2	8.6	1.9	4.0		
St. Paul Mer. Ind.	3,080,353	2,913,946	62.8	40.7	-3.5	8.8	19.6	7.8	1.5	3.0		
Seaboard Surety	149,390	117,310	40.8	53.5	5.7	1.0	4.5	22.2	21.8	4.0		
Standard Acc.	8,688,225	8,503,966	49.2	35.6	15.2	7.2	17.0	7.3	1.4	2.7		
Sun Ind.	1,718,867	1,688,648	56.9	38.7	4.4	9.2	15.6	8.7	1.8	3.4		
Travelers Ind.	4,610,954	3,995,204	47.0	33.3	19.7	5.9	14.0	9.0	2.2	2.2		
Travelers	36,868,528	33,389,087	56.9	34.0	9.1	6.0	13.2	8.6	2.4	3.8		
United Nat. Ind.	370,097	332,365	60.9	41.8	-2.7	7.3	16.7	10.5	4.5	2.8		
U. S. Cas.	4,483,501	4,424,196	50.0	36.3	13.7	8.0	16.4	6.3	2.1	3.5		
U. S. F. & O.	15,974,062	15,767,303	46.5	47.9	15.6	6.7	16.0	10.5	1.4	3.3		
U. S. Guaranty	130,989	154,296	59.9	25.2	14.9	5.7	10.7	6.3	1.5	1.0		
Western Nat. Ind.	1,749,405	1,694,353	49.8	31.8	18.4	6.9	14.7	6.1	1.7	2.4		
Yorkshire Ind.	290,670	265,463	63.3	45.6	-8.9	7.4	18.7	8.8	6.7	4.0		
Zurich	9,295,808	8,861,854	51.2	29.6	9.2	8.5	15.9	8.5	3.5	3.2		
1944 Totals	\$249,045,754	\$249,541,464	56.9	35.3	7.8	7.6	15.0	7.6	1.9	3.2		
1945 Totals	243,396,634	241,168,067	60.8	36.3	2.9	8.1	15.2	8.0	2.0	3.0		
1946 Totals	251,891,879	250,919,219	57.7	39.2	3.1	8.4	16.8	8.7	2.0	3.3		
1947 Totals	323,339,693	312,626,080	54.5	36.9	8.6	7.6	15.8	8.2	2.0	3.3		

MUTUAL COMPANIES

Am. Mut. Liab.	\$33,708,196	\$32,968,922	57.9	21.0	21.1	7.3	4.2	4.0	2.4	3.1
Atlantic Mut.	—87,996	49,976	70.1	—126.0	155.9	—	—	—	—	—
Bakers Mut.	1,136,759	1,088,181	49.3	22.0	28.7	7.4	7.7	2.9	1.9	1.7
Coal Merch. Mutl.	1,143,358	1,102,118	54.7	26.4	18.4	4.8	8.4	5.7	1.4	6.1
Consol. Texp.	201,340	170,671	24.8	55.9	19.3	26.7	9.9	14.2	2.3	2.8
Cosmopolitan Mut.	2,021,082	1,907,247	41.2	36.8	22.0	7.3	10.3	11.5	2.4	5.3
Electric Mut. Liab.	1,201,297	1,181,353	31.5	11.0	57.9	8.1	1	.7	.3	1.8
Empire Mutual	205,867	174,404	50.3	29.8	19.9	6.5	8.1	8.1	1.2	5.9
Empl. Mut. Lia.	35,647,114	35,377,197	56.8	23.1	20.1	6.4	7.3	4.2	3.1	2.1
Exchange Mut. Ind.	1,139,067	1,103,255	55.4	24.4	20.2	5.4	7.8	4.6	.7	5.9
Farm Bureau Mut.	897,689	802,506	46.4	43.6	10.0	10.8	13.6	14.2	1.7	3.3
Hdwre Mut. Cas.	9,304,985	8,957,120	49.5	31.7	18.8	8.2	11.4	5.5	4.0	2.6
Ideal Mutual	1,492,459	1,356,206	58.7	12.8	28.5	6.8	—	1.7	1.5	3.8
Interboro Mut. Ind.	2,389,521	2,342,902	71.2	21.7	7.1	8	1.9	3.9	1.6	14.0
Jamestown Mut.	1,379,091	1,412,271	62.6	31.5	5.9	10.9	55.6	6.2	2.6	6.2
Liberty Mut.	65,845,452	64,326,437	52.5	19.4	28.1	5.6	4.3	3.9	2.4	3.2
Lumb. Mut. N. Y.	3,140,550	3,086,441	50.2	27.9	21.9	7.4	6.7	7.5	2.0	4.3
Lumb. Mut., Ill.	17,474,358	17,887,191	51.2	23.5	25.3	5.2	8.3	5.1	1.8	3.1
Merch. Mut. Cas.	2,618,454	2,802,664	47.8	34.0	18.2	10.4	11.9	6.6	1.6	3.5
Mich. Mut. Liab.	6,447,095	6,196,946	52.4	22.5	25.1	8.2	3.9	7.3	2.6	5
Natl. Grange Mut.	72,131	47,968	46.0	36.5	17.5	7.0	16.3	10.3	.2	2.7
N. Y. Pr. & Bkdrs.	925,944	873,291	49.3	17.7	33.1	8.5	1.5	2.8	.9	4.0
Pa. Treshermen	4,042,599	3,771,517	51.1	27.4	21.5	4.5	13.6	7.1	1.7	5
Public Service Mut.	1,436,442	1,440,842	32.4	35.7	31.9	10.2	13.3	7.1	1.3	3.8
Security Mut. Cas.	2,726,838	2,636,478	62.7	15.5	21.8	7.9	1.7	3.6	.5	1.8
Security Texp. Mut.	174,945	156,227	35.5	50.3	14.2	16.5	4.9	22.8	3.3	2.8
Utica Mutual	7,599,579	7,388,868	53.4	24.4	22.2	6.4	3.3	6.7	2.5	5.5
Utilities Mut.	1,266,519	1,233,621	75.5	25.2	—	10.0	—	5.7	2.9	6.6
1944 Totals	\$152,003,102	\$151,642,082	58.3	21.9	19.8	7.1	4.8	5.1	2.7	2.2
1945 Totals	149,014,049	145,206,233	57.9	23.4	18.7	7.1	5.6	5.1	2.7	2.9
1946 Totals	149,508,586	150,605,318	60.3	23.2	16.5	7.2	6.2	4.3	2.6	2.9
1947 Totals	206,360,735	207,842,380	54.0	22.5	23.5	6.5	5.8	4.7	2.4	3.1

Debate American F. & C. Assigned Risk Position

PHILADELPHIA—The position of American Fidelity & Casualty in relation to the new uniform auto assigned risk plan proved to be the main issue at the meeting of the N.A.I.C. casualty committee here.

S. A. Markel, president of that company, took sharp exception to a statement in the report of the national assigned risk advisory committee that it would be improper to permit an insurer that confines its writings to buses and trucks to decline to accept assignment of private passenger and taxi risks. The report, which was read by Richard C. Wagner of Assn. of Casualty & Surety Companies, contended that such an escape is not justified because engineering facilities are not needed to handle private passenger cars.

Mr. Markel charged that this constitutes special discrimination against his company because it is the only insurer that confines its attention exclusively to buses and trucks.

C. A. Gough, acting New Jersey commissioner, came to the support of Mr. Markel. He said American F. & C. has done a good job in New Jersey and he requested that the statement be removed from the Wagner report to which Mr. Markel objects.

Allowance of Exceptions

Mr. Wagner, in his report, said that the most serious question that has arisen in connection with the uniform plan is whether any exceptions should be allowed to assignment of risks. The committee feels that all insurers should be required to accept any risk of less than five cars other than buses, truckmen subject to I.C.C. regulations and long haul truckers. Those who take these risks are given double credit when it comes to rotation of assignment.

There has been some objection to the provision permitting an insurer to decline to accept more than one vehicle of any particular risk. However, he said, this has caused no difficulty. The committee opposes the suggestion that the test be whether an insurer has the facilities to write bus and truck risks. The test should be whether an insurer is writing such lines.

The Wagner committee recommended that a company that takes a risk for which it does not have a rate on file be permitted to make an individual filing rather than being required to make a class filing.

The committee said National Assn. of Independent Insurers had been asked to be omitted from the governing committee.

Name Judges for State High School Driver Course Plans

An 11-man board of judges has been appointed for the high school driver education award program of the Assn. of Casualty and Surety Companies. The board will evaluate annual reports submitted by states on progress achieved by them in the development of high school driver education courses. The judges are:

W. E. Goslin, president American Assn. of School Administrators; R. B. House, chancellor of the University of North Carolina; Roscoe West, chairman National Commission on Safety Education; T. H. MacDonald, public roads administration commissioner, Federal Works Agency; Ned H. Dearborn, president of National Safety Council; Lee C. Richardson, president of the American Assn. of Motor Vehicle Administrators; W. E. McKell, president of Assn. of Casualty & Surety Companies; Harold P. Jackson, chairman national committee for traffic safety; Price Clark, superintendent of schools, Morgan County, W. Va.; Hanson Anderson, principal of Arsenal-Technical high

school, Indianapolis, and H. C. Mardis, principal of Lincoln high school, Lincoln, Neb.

The program was devised this year by the association's accident prevention department.

Special representatives have submitted reports which were reviewed at a meeting of the judges in Chicago, June 14.

Confer on Mass. "Freeze"

BOSTON—Home office executives of companies writing compulsory automobile liability insurance risks in Massa-

chusetts have been summoned to a conference with Commissioner Harrington this week to consider plans for taking care of the unwanted and assigned risks in the state in 1949. A year ago the commissioner "froze" the 1947 placed risks to carry through 1948, to ease the situation in the assigned risk bureau, which was overloaded. Enough first year unwanted risks have shown up in 1948, however, to increase the load on the bureau about 40%.

Will Increase D. C. Benefits

WASHINGTON—Both houses have

passed a bill, differing in detail, to increase benefit payments under the longshoremen's and harborworkers' law.

The Washington Board of Trade estimates this measure would cost District of Columbia employers \$1 million more per year by raising weekly benefits to injured workmen from \$25 to \$35 per week. The longshoremen's act is the D. C. workmen's compensation law.

A. & H. Insurance Managers Assn. of San Francisco held its annual golf tournament and dinner June 11 at California Golf Club.

THOUGHT FOR TODAY

"The only business enterprises that are immune to dishonesty losses are those that have no assets . . . or that carry adequate Blanket Fidelity Bonds."

Swedish Visitor Compares U. S. Insurance Scene and His

Important differences between the insurance business in Sweden and in the U. S. were outlined by Sven Bladh of Skane-Malmö Life, Fire and Casualty Companies of Malmö, Sweden, who is now in this country studying American insurance methods.

Interviewed in Hartford at the home office of the Aetna Life companies, where he has spent most of his visit, Mr. Bladh pointed out that there is a fundamental difference in the common law applying to automobile accidents in the two countries. Whereas in America claimants, if they are to collect damages, must prove that the owner, or operator of the car was negligent, in Sweden, the burden of proof rests on the owner, or operator of the car. If he is to avoid paying damages, he, and not the claimant, must prove that he did not cause or contribute to the accident. This doctrine applies both to bodily injury and property damage cases.

A similar doctrine of "strict liability" applies in connection with the operation

of railroad trains and airplanes, and with the ownership of dogs, Mr. Bladh said.

Settlements made in liability cases involving permanent disability, Mr. Bladh said, are usually on the basis of regular payments, quarterly, semi-annually, or annually, rather than on the lump sum basis which is prevalent in this country.

Furthermore, the doctrine of comparative negligence is applied to estimate the liability on two or more parties. The claimant who has contributed to an accident is not entitled to collect more than is warranted by the degree to which the other party was negligent. "Comparative negligence" is the law in only a few states in this country. Automobile liability insurance is compulsory in Sweden. In addition, every claimant is protected by a pool which will take care of his claim if, by chance, the car which hits him is uninsured or if the driver is unknown. Of course, this pool has subrogation rights against the negligent person.

In Sweden, the coinsurance clause is

even more widely used than in this country and fire, burglary and water damage lines, even on private dwellings, are all written on this basis. The coinsurance clause is almost always set at 100%.

Other Differences Cited

Mr. Bladh said workmen's compensation is largely written by the government. There is a rule on the part of agents to represent only one company on one and the same line, with the company making arrangements for reinsurance in case of large risks. With the exception of automobile insurance, which is written on a five year basis, most policies are written for 10 years. Cancellation is possible if the risk ceases to exist.

Mr. Bladh said there are, however, many points of similarity between the insurance business in Sweden and in this country. The Swedish and the American agency systems have much similarity; the coverages sold are approximately the same; and, in both countries, there is an increasing trend toward the "package" selling of many coverages in one policy.

Mr. Bladh arrived at New York last December and will return to Sweden next October. His trip is being made under the auspices of American-Scandinavian Foundation at New York and arrangements for him to visit Aetna were made by Nils B. Frick of Swedish Insurance Federation. An invitation to spend his "sabbatical year" with Aetna was extended by Stanley F. Withe, head of the Aetna's public education department.

As assistant chief of the claim department of the Skane-Malmö companies, he was particularly interested in the operations of the claim department of a multiple-line insurance organization in this country. During the winter, he attended the Aetna's school for claim men and then spent several months studying the Aetna's claim operations in the field and in the home office.

He has recently returned from a trip to Texas and California in which he paid brief visits to a number of insurance companies. In June, he plans to attend the school conducted by International Business Machine Company at Endicott, N. Y. After this, he will visit with other insurance companies before sailing for Sweden.

In leaping out of the way of an oncoming automobile recently on his way to Hartford from the coast, Mr. Bladh suffered a leg injury and is now recovering from an operation at St. Francis Hospital. He took out an accident policy after his arrival in this country.

Recent Course Graduate Leads Aetna Campaigners

Because he sold more personal accident than any agent of Aetna Casualty during the May campaign Francis L. Jewell of Saxonville, Mass., was invited to address the banquet which concluded the 101st session of the Aetna sales course. An army veteran, Mr. Jewell entered the business a year ago and was graduated from the 94th sales course.

Mr. Jewell said he uses personal accident and comprehensive personal liability as "lead" lines.

He averages 15 calls a day and sells between 65 to 70% of those interviewed, 90% on the first interview.

There were 40 who graduated from the course. Top academic standing was won by William E. Willatt, Jr., of Waverly, N. Y., and the sales aptitude award went to James H. Thayer, Jr., of Miami, Fla.

Davis Dam Bids Opened

LOS ANGELES—Stolte, Inc., San Francisco; Arizona Sand & Rock Co., Phoenix, Ariz.; United Concrete Pipe Corp., Los Angeles, and Ralph E. Bell, Los Angeles, as joint venturers, were low bidders at \$2,794,486 for all three schedules when the U. S. reclamation service opened bids for foundations and erecting steel towers for transmission lines at the Davis dam project in Arizona.

Inc., Fidelity & Deposit; Arizona Rock & Sand Co., and United Concrete Pipe Corp., Marland Casualty; Ralph E. Bell, U. S. F. & G. They probably also will execute the payment and performance bonds.

Problems Under New Cal. Responsibility Law in Effect July 1 Discussed

SAN FRANCISCO—Automobile underwriting takes on a new problem July 1 when the new California financial responsibility law goes into effect.

With a few companies—such as Aetna—advertising widely through newspapers and by radio for the large volume of new business the law already has stimulated, brokers have been busy contacting assured and prospects, outlining law provisions and advantages of being prepared by purchasing adequate P. and P. D. coverage now.

This also has brought up the question of desirable risks in the general public. Underwriters have been discussing the question of declining risks usually considered acceptable. They are concerned over the result if the companies do not, in some manner, find a way to provide coverage, particularly when the assured can object to being an insured risk.

There has been talk of additional premiums for such risks but brokers spokesmen say these producers have been advised carefully to screen all risks and cooperate with companies to avoid any future demands for state compulsory liability insurance based on arguments companies are so strict they penalize motorists and force them to operate under the more rigid requirements of the law.

John E. Sheehan has opened an independent adjusting office at Los Angeles. He has been in claims work there for 10 years.



it's all there in a nutshell

Speed Up the Acceptance of Your Bond Risks by Keeping Anchor's "Field Counselor" Cabinet at Your Elbow.

A simplified system for the preparation of Bond submissions—organizes the entire business for the Agent.

Application supply folders with indexed, manual-colored tabs carrying complete instructions for submission of risks; in addition, copyrighted factual information of an educational nature, in condensed form.

Anchor's Assures Smooth Sale of Short Form Applications Simplified Rate Manual



ANCHOR CASUALTY CO.
ST. PAUL 1, MINN.

HONEST EMPLOYEE*



(*once upon a time...)

It's an axiom in the Fidelity field that it takes a *trusted* employee to really get away with Company funds in formidable amounts. That's why the premium on a Fidelity Bond comes under the heading of *necessary business expense*. Such coverage not only reduces hazards by acting as a *deterrent* to would-be thieves... but it replaces stolen funds when the worst occurs. "American" offers four different types of Dishonesty Insurance—and the services of a competent and cooperative staff of Fidelity experts.



AMERICAN CASUALTY COMPANY

OF READING, PENNSYLVANIA

FIRE AFFILIATE: AMERICAN AVIATION & GENERAL INSURANCE COMPANY

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Eby Now Manager; Succeeds Sommers

Charles R. Eby has been appointed by Manufacturers Casualty and Manufacturers Fire as manager of the Chicago branch office.

He succeeds Byron Sommers, who has resigned. Mr. Sommers is preparing to go with his family on vacation to the Pacific Coast. He has plans in the making which he soon will announce.

Mr. Eby has been in the business about 17 years, starting with Indemnity of North America's claim department at Philadelphia and later being with North America's marine and fire departments at New York City before going to Roanoke, Va., with the indemnity company as resident adjuster. He resigned and joined the Charles Lunsford & Sons agency there, then after three years became vice-president of Insurance Corp. of Virginia, supervising general agent for Manufacturers Casualty. For the last two years he has been Manufacturers' Richmond, Va., manager.

About 1,500 Stand for C.P.C.U. Examinations

Approximately 1,500 C.P.C.U. examinations were taken by nearly 800 candidates in 76 examination centers June 9-11. In 1947 861 examinations were taken by 455.

The results will be published early in August, following the annual meeting of the trustees of the American Institute of Property & Liability Underwriters, Inc.

Those who complete all of the requirements will be privileged to receive their award at the national conference which will be held at Chicago the end of September in conjunction with the annual meeting of the Society of C.P.C.U.'s.

Southall to Ky. State Post

Spalding Southall has joined the Kentucky insurance department in charge of life, accident and health. He has been supervisor for Mutual Benefit Life through the general agency of Dennis & Brown of Louisville. He is the son of W. B. Southall of Lebanon, Ky., who retired several years ago from the same position with Mutual Benefit which has been occupied by his son, Spalding.

Discuss Responsibility Law

LOS ANGELES—The new California financial responsibility law, its implications and how company offices will meet its coming into effect on July 1 were discussed by Casualty Insurance Assn. of Southern California. Particular attention was given to the manner of handling claims that may arise after the law becomes effective.

A. & H. Outing at L. A.

Los Angeles A. & H. Managers Club held its annual outing and stag party at the Oakmont Country Club. Highlight of the entertainment was a skit put on by E. F. Hansen, Standard Accident, and Harry Burford, California Agencies. President Robert Kelly gave a brief sketch of the veteran members of the club, including their activities in its affairs.

Babaco Reviews 147 Losses

At least \$30 million worth of goods in transit were lost to shippers as a result of more than 5,000 truck cargo thefts and hijackings in 1947, according to the "Babaco News." A large part of the losses were insured.

One unusual hijacking was a load of textbooks. Other losses included drugs, girdles, victrola records, copper and steel, the latter reflecting the gray market in that field. The loss leaders were textiles, which have led the list for many years and in 1947 represented 20% of the number of thefts and 32% of the dollar value of theft losses, with

an average load value of \$11,400; clothing; liquor; tobacco; electrical goods, a newcomer among the leaders; food; furs; and jewelry. New York was the largest loser, with Chicago second.

John R. Horn Is New Michigan Field President

TRAVERSE CITY, MICH. — John R. Horn of Travelers was elected president of Michigan Fire Underwriters Assn. at the annual meeting here succeeding L. Irving McKay of Northern Assurance. Vice-president is E. C. Saulcy, Great American, and secretary Roland Lange, Hartford.

K. S. Ogilvie of Western Underwriters Assn. gave the main address. Kenneth Nelson, agency superintendent of American, was a visitor.

Child Can't Sue Mother

WASHINGTON—The U. S. Court of Appeals, District of Columbia, has held a minor child could not sue for \$10,000 his mother, who carried liability insurance, for personal injury due to her negligence in driving a car that collided in Maryland. The child, Armand Villaret, by his next friend, sued Abigail H. Villaret.

The court held such suits are against public policy and that under Maryland law the suit did not state a claim against the mother upon which relief could be granted. The opinion referred to decisions as "relatively rare" where the "public policy" rule did not prevail on the theory that such a suit is "in practical effect against the insurer instead of the parent."

The district court denial of Mrs. Villaret's motion to dismiss was reversed and the case remanded.

A district court judgment was affirmed denying workmen's compensation to Emily Wetzel, employee of the provisional French government office here, who was injured by an auto while en route to lunch. The court held in effect that the injury was not one "arising out of and in the course of employment." General Accident was the insurer.

Ben F. Peters Retires

Ben F. Peters, who has occupied a commanding position in the Illinois field for many years, has retired as state agent for Royal-Liverpool under the company's pension plan.

Shaw Heads Cincinnati

CINCINNATI—At the annual meeting and outing of Cincinnati Casualty & Surety Managers Assn., W. E. Shaw, Fidelity & Deposit, was elected president; Gordon Burrer, Travelers, vice-president; D. W. Mather, Hartford Accident, secretary; C. F. Dabbelt, Metropolitan Casualty, director.

R. F. Lloyd, Hartford Accident, was low man in the golf tournament.

Insurer Loses in Fire Death

The U. S. circuit court of appeals has reversed the district court for eastern Kentucky which had held in favor of Commercial Casualty in a double indemnity case. The insured, J. M. Roberts, died in a hotel fire. The policy provided for double indemnity in the event of death "in consequence of the destruction, by fire, of a building while the insured is therein." The appeals court held that a hotel suite was an integral part of the hotel building and was a building within the terms of the clause and that "destruction" did not mean the complete annihilation of the structure, as contended by the insurer.

W. J. Traynor, publicity director of the North British group, celebrated his silver anniversary and was commissioned a member of the "Norbrit Guards." He has been associated with the advertising department practically since its inception and for the past 14

years has been in complete charge of its operations countrywide. His associates and friends presented him a set of golf clubs and bag, and an electric clock for his desk. Scores of friends in the field and in agency ranks sent congratulatory letters and telegrams.

State Farm in 22 States Cuts Physical Damage Rate

State Farm Mutual Automobile announced rate reduction in 22 states. The reductions vary from 5% to 25%, depending upon the experience by state and coverage, and are limited principally to automobile physical damage. There are minor changes in B.I. and P.D. liability in a few areas but in general the present levels for these coverages are being maintained. The discount granted to bona fide farm risks is increased to 20%. It was 10%.

The reductions are effective in Ala-

bama, Arizona, California, Colorado, Idaho, Iowa, Kansas, Michigan, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oregon, South Carolina, South Dakota, Utah, Washington, West Virginia, Wisconsin and Wyoming.

Conick Lake Placid Speaker

H. C. Conick, Royal-Liverpool U. S. manager, will speak at the summer meeting of N. Y. State Assn. of Supervising & Adjusting Agents June 28-30 at Lake Placid.

H. H. Chittenden, Columbus, O., resident secretary of Home, is very ill in White Cross Hospital there.

Insurance Women of Toledo have installed Mable Crowley as president, Amelia Cook, first vice-president; Martha McHugh, treasurer.

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Casualty,
Fidelity & Surety*

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Arthur F. McCarthy

U. S. Assistant Managers

Boyle Is Elected by S. C. Agents

(CONTINUED FROM PAGE 2)

bodily injury liability policies, E. J. Uhler, agency department of Fidelity & Casualty, said in his discussion of broad form liability coverage. Thus they have been delivering only half the protection that they have discussed with the prospect or insured. If they are going to deliver only bodily injury liability and not include property damage liability, they should talk about bodily injury and not public liability.

Another misunderstanding concerns the need of adequate limits. Agents simply have not sold high enough property protection. What limits are adequate? Why not sell the same property damage limits as bodily injury limits? Mr. Uhler wondered. The agent then would give insured even limits, which are in effect the same thing as a single limit policy.

\$300,000 of P.D.

Agents wouldn't question this in connection with a \$20,000 bodily injury limit. A \$20,000 property damage limit seems logical, but how about a \$300,000 bodily injury policy? Mr. Uhler thinks that the P.D. should be in the same amount because of the possibility that insured could be held liable for a loss by fire, if the fire insurer subrogated against him. If he is a tenant, he can

figure that he needs property damage in limits high enough to cover the value of the building plus the contents of the other tenants in the building. If he is an owner, he should figure what his liability could be for the buildings on each side of him.

Even limits simplify the selling of casualty insurance. Insured doesn't know much about casualty coverage. He is likely to know something about life insurance because he personally has purchased some, usually in round numbers, as \$1,000 or \$5,000. He understands fire insurance the next best because he has bought on his own possessions, often in round figures. Now the casualty people come along and talk to him about \$5/10/1,000. That confuses him. Why not sell \$20,000 across the board for a couple of bucks or so more?

It is inexcusable for the agent to fail to mention the optional coverages in the broad form liability policy, Mr. Uhler declared. If they do so, they are deciding in advance that insured does not need the protection, and only the insured can make that decision. The agent is putting himself in a very poor spot when he decides, without asking insured, that insured does not need the protection.

Herbert H. Corson, Nashville, executive committee member of the National

Association, talked on "Performance Without Apology." Mr. Corson declared the agency system is cheapened in the eyes of the public by the fact that so many property and casualty agents "beg" for business. In his talk he used a tambourine to illustrate graphically that the agent solicits business because he belongs to the same lodge, club, church or organization. Property and casualty agents, he contended are supplied with a thousand selling tools which, if intelligently used, will market insurance and elevate the system in the eyes of the public.

John M. McFall, vice-president and general counsel of U.S.F.&G., gave a talk on the impact of federal laws in relation to state regulation of insurance.

An address on "Shipping—A World Commodity" was given by Robert McC. Figg, Jr., Charleston attorney.

New members of the executive committee are Mr. North; Harold Midgley, Bennettville; David Ellison, Jr., Columbia; Mr. Schachte, the retiring president; Cecil Ethridge, Aiken; W. R. Burch, Lake City; Ralph E. Cox, Greenville; B. Pratt Gasque, Marion, and T. W. Hutchison, Rock Hill.

The agents had on display the Sparlin cup awarded the association by the National association for greatest service to membership of any state body.

Fidelity-Surety Bond Producers Meet at K. C.

Representatives of three fidelity and surety producers groups closed a successful meeting last week at Kansas City. Travis D. Bailey, San Antonio, chairman of the fidelity and surety committee of National Assn. of Insurance Agents, said at the closing session that further conferences of that type will benefit the entire industry.

Mr. Bailey said the value of the meetings is demonstrated as a place where opinions of segments of the producer's ranks may be presented and discussed. The agenda included commercial blanket bonds, bankers blanket bonds, contract bonds, cost of operating a bond department, cost of writing bonds which produce small premiums, amendment of state statutes to encourage use of corporate suretyship in connection with court bonds, problems of improving fidelity losses, elimination of unnecessary details, and a general discussion of suretyship.

Organizations represented were National Assn. of Surety Bond Producers, National Assn. of Casualty & Surety Agents, and National Assn. of Insurance Agents.

Dr. Oliver Slated

A. & H. Club of New York was scheduled to hear Dr. Wade Oliver, Rockefeller Foundation, at its June meeting, on health conditions in certain European countries and their effect on the accident and health business. Pictures of the recent outing were on the schedule and members were to vote on the establishment of two new offices, assistant secretary and director of publicity.

D. D. Hall Now at Head

New Jersey Special Agents Assn. at its annual meeting elected D. D. Hall, Corroon & Reynolds, president. James A. Reid, General Adjustment Bureau, is vice-president; R. E. Burdick, Potomac, treasurer; and T. W. Dean, Northern, N. Y., secretary. Approximately 100 company officials, special agents and guests attended the outing.

Fletcher N. J. President

New Jersey Assn. of Mutual Insurance Agents at its annual meeting at Trenton elected Samuel R. Fletcher, Jersey City, president; B. E. Moyer, Washington, vice-president; H. R. Freeston, Newark, secretary, and H. R. Smith, Oaklyn, treasurer.

Lloyds Wins Hotel La Salle Issue

London Lloyds has won a decision under a \$10,000 innkeepers liability policy in the U. S. seventh circuit court of appeals, the issue arising out of the Chicago Hotel La Salle fire of 1946.

This was a contract covering the liability of the hotel for damage and loss to property of guests. There was some damage to guests' property in the fire and there was about \$80,000 of property that was stolen under circumstances that have never been explained.

Hotel La Salle argued that the full limit of liability of the policy was applicable to the loss suffered by each guest and hence claimed the total amount of the loss. Federal Judge Igoe ruled in favor of the hotel in a declaratory judgment action that Lloyds brought after paying the \$10,000 for which it admitted liability. However, the appellate court agreed with Lloyds that all of the losses were part and parcel of the fire loss and that the loss of each guest did not constitute a "separate occurrence."

The hotel was also defeated on the contention that even if the liability of Lloyds was limited to \$10,000, the insurer was responsible under the contract to defend all claims regardless of amount. The court agreed here with Lloyds that the defense provision was incidental to the main policy and when the amount of coverage was exhausted, the duty to defend further claims no longer existed.

The policy provided that when a loss was paid, the amount of insurance was reduced accordingly by that amount, but immediately the coverage was reinstated as to subsequent losses. The hotel argued that there was thus an automatic reinstatement of the coverage following the payment of the loss suffered by each guest. The court held for Lloyds on this point, too.

Ask Delay in D. C. Case

The companies have asked a delay in the remanding of rate case in the District of Columbia from circuit to district court, which would have the effect of putting off court action till fall.

Employers in Bureau

Employers Liability has been elected a member of Bureau of A. & H. Underwriters.

Sun Life of Canada has received its certificate for personal A. & H. insurance.

Fire, Casualty and Surety Reinsurance

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CHANGES

Guarantee Shifts Starks to Home Office Post

Guarantee of Los Angeles has transferred Vice-President Harry V. Starks, who has been in charge of operations in northern California at San Francisco, to the home office as vice-president in charge of claims.

F. C. Frazier continues as manager of compensation claims and will be Mr. Starks' assistant. Assistant Manager Ray Scott has been promoted to manager for northern California. Joseph H. Booth of the home office underwriting staff has been transferred to San Francisco as assistant manager to succeed Mr. Scott.

Mr. Starks began his insurance career in 1920 with Georgia Casualty and two years later went with Employers Liability. After seven years he resigned to study law and following admission to the bar practiced law for two years. Then he became New Amsterdam Casualty claims manager for the Pacific department. After 11 years he joined Guarantee as northern California manager and later was made a director and vice-president.

Bell Chicago Claims Head

Harold J. Bell has been transferred by American Casualty from claims manager at Milwaukee to a similar post at Chicago under direction of Resident Vice-president A. A. Konitzer. He has been in claim work for 16 years, starting with Travelers at Chicago.

After eight years he joined Manufacturers Casualty's claim department at Chicago, for a time being claim manager, then entered naval service. Upon discharge he rejoined Manufacturers as claims manager at St. Louis, being transferred to Milwaukee early last year.

Furey to Bridgeport Post

John E. Furey has been appointed casualty manager at Bridgeport, Conn., for Travelers, succeeding Edgar L. Haines, retired.

Mr. Furey has been assistant manager at Pittsburgh. He joined the company in 1923 at Reading, Pa., and served also at Los Angeles.

Mr. Haines started with Travelers in 1919 at Newark and later was assistant manager at St. Louis and manager at New Haven.

Palmer Assists Burness

Bradley Palmer has been appointed special agent by Fireman's Fund Indemnity in the Sacramento Valley, assisting Fred Burness. He has been in the head office under training for field work since he joined Fireman's Fund in 1947. He is a son of Ernest Palmer, general counsel for the Warner reciprocals and former Illinois insurance director.

Moeller Resumes Post

Len Moeller, who has been on leave of absence from St. Paul-Mercury Indemnity, returned this week as blanket bond specialist.

Craig U. S. F. & G. Asst. Mgr.

W. R. Craig has been appointed assistant manager of U. S. F. & G. at Montreal.

Parsons to Allied Compensation

Ward Parsons has been made claims manager of Allied Compensation of Los Angeles. For 19 years he has been with the state compensation fund claims department at Los Angeles.

Walter C. Fisher has left the insurance department of Henry Broderick, Inc., to establish his own agency at Seattle. He entered insurance in 1932 with Northwestern Mutual Fire.

ACCIDENT

Illinois Mutual Casualty Holds Agency Meeting

More than 200 agents from the seven states in which it operates attended the annual agency meeting of Illinois Mutual Casualty at Peoria. There were 315 at the banquet, at which Ralph W. Carney, vice-president and sales manager of Coleman Co., Wichita, spoke on "The Man Who Sells." He stressed that the salesman in insurance and all other lines of business is the key man in bringing this country back to normal conditions. He also declared that all salesmen have become a little "flabby" through order taking, and it will be necessary for those selling insurance and everything else to get back to fundamental selling methods and real work.

Speakers at other sessions included President E. A. McCord, Miss Gladys P. Edwards, secretary, and Roy Davis of Peoria, on "Selling and Renewing A. & H. and Hospital Insurance." The program also included an underwriting and claim forum introduced by E. B. Forsythe, manager of claim and underwriting departments, and a franchise insurance forum introduced by Jack Kummer, Michigan field supervisor. Presiding at various sessions were C. C. Inman, vice-president; A. C. Sauer, northern Illinois field supervisor, assisted by W. H. Inman, Indiana supervisor, and C. B. Stumpf, general agent at Madison, Wis., assisted by L. C. Squibb, southern Illinois field supervisor.

The president's trophy for largest premium volume during president's month was won by Roy E. Davis, Peoria, and that for the largest number of applications by C. C. Wheeler, Peoria. The company's entire territory was divided into nine districts and smaller replica trophies were presented to the leaders in the two classes in each district.

Lowe Is Lincoln President

O. K. Lowe, Occidental Life, has been named president of A. & H. Underwriters Assn. of Lincoln, Neb. He succeeds W. J. Quinn, Woodmen Accident. Norman Wilson, also of Occidental, was named vice-president; Keith Nordstrom, Great Northern Life, secretary, and John Van Bloom, Mutual Benefit H. & A., treasurer.

Mr. Quinn was elected delegate to the National association with Norman Wilson as alternate.

Provident L. & A. in Canada

Provident Life & Accident has been licensed to write life, accident and sickness insurance in Canada. W. E. McLean of Toronto, an official of Canadian Inland Underwriters Conference, is chief agent in Canada.

Blue Cross, Doctors Split

The American Hospital Assn., acting upon the advice of the approval committee of the Blue Cross commission has refused to endorse New Mexico Affiliated Hospital Plan, sponsored by the state medical association. This is the latest phase in a breakdown of relations between the New Mexico Physicians Service, the medical care plan, and Blue Cross which led to the formation of a separate hospital plan by the physicians. The hospital association maintains that the doctors' plan does not provide free choice of hospital and physician. The doctors maintain this charge grows out of the fact they limit their membership to doctors of medicine, but say this in no way effects hospital service or billing. Members of Affiliated Hospital Plans are guaranteed full hospital benefits even though they have to be paid at regular patient rates at any hospital in the state.

Insurance Assn. of Los Angeles will hold its annual golf tournament and dinner June 29 at Riviera Country Club.

NEWS OF THE CASUALTY COMPANIES

Eger, Stauts Advanced in Home Office of No. America

Frank A. Eger, secretary of Indemnity of North America, has been elected comptroller of the fire companies. This is a new office created by the board of North America.

Lester J. Stauts, until recently executive assistant to the treasurer of North America, has been made assistant treasurer of the fire companies.

*Mr. Eger has been with the indemnity company since 1920 as statistician and accountant. Later he was made an assistant secretary, and in 1926 was promoted to secretary.

Mr. Stauts joined North America in 1922 in the agency accounting department. Subsequently, he became assistant cashier, cashier and in 1943, executive assistant.

Pioneer Equitable in Wash.

Pioneer Equitable has been licensed to write casualty lines except A. & H. in Washington. It will be supervised by General Agencies of New York,

which maintains offices at Seattle under the management of Sidney Madge.

Latonia Alters Approach

Latonia Ins. Co. of Covington, Ky., has been chartered to replace Latonia Casualty, which was dissolved by agreement after an unsuccessful court fight to compel the Kentucky department to license it. The new company, backed by the same interests, has \$50,000 capital and intends to write taxicab business.

V. D. Rooks, Kentucky department actuary, in the absence of Director Thurman, said that the department will make the usual investigation before acting upon Latonia's request for a license to write business.

Motorists Mutual has been granted a permit for the erection of a \$200,000 addition to its building at Columbus.

Clarence Axman, editor of the "Eastern Underwriter," is in Europe for a few weeks and will attend the actuaries centennial in London. He will fly back at the end of the month.

SPECIAL MEMO TO: Indiana-Illinois Agents

SUBJECT: Automobile Financing

Hawkeye Agents in nine states are holding their auto business through the special facilities offered them by the First Insurance Finance Company. Now, First Insurance Finance Company is making this service available to Hawkeye Agents in Indiana and Illinois. Hawkeye has several agency openings in these States. Agents selected will be granted the facilities of the First Insurance Finance Company to help hold and increase their auto business.

The plan is tailored for agents. You approve the risk. First Insurance Finance Company provides a complete service, plus the advantages of their "Protective Purchase" Plan. For full details write to:

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State Life Building
Indianapolis, Indiana

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5th and Capitol
Springfield, Illinois

Finance Field Managers in this area
Thomas L. Hicks Richard S. Porter

NEWS OF CASUALTY ASSOCIATIONS

Sadler Heads New Jersey Casualty Underwriters Assn.

William A. Sadler, Century Indemnity, was elected president of Casualty Underwriters Assn. of New Jersey at its June meeting, succeeding Henry M. O'Brien, Fireman's Fund, who becomes chairman of the executive committee. John W. Young, London & Lancashire, is vice-president; John B. Rooney, Commercial Casualty, treasurer, and John Little, Royal-Eagle-Globe, secretary. Thomas E. Maddams, Glens Falls, and Ernest E. Ehlers, Travelers, were placed on the executive committee.

James Giuliano, assistant prosecutor of Essex county, described the activities of a New Jersey automobile theft ring,

broken up last winter, resulting in the conviction of 58 persons.

About 100 are expected to attend the annual golf tournament and dinner at Essex Falls Country Club June 25.

Accountants to Hartford

Assn. of Casualty & Surety Accountants & Statisticians is meeting June 17-18 at Hartford. Arrangements are being sponsored by the Hartford companies. Frank A. Eger, comptroller of North America, president of the association, is in charge.

Talk on Neuro Surgery

LOS ANGELES—Dr. Walter Z. Baro spoke before Casualty Insurance

Adjusters Assn. of Southern California on "Psychiatric Neuro Surgical Treatment of Industrial Accident Cases." He said that in treating these cases two problems arise, neurosis and malingering. He declared there are too many surgeries performed in industry.

PERSONALS

Stanley W. Schellenger, agency superintendent of Buckeye Union Casualty, has been elected president of the Columbus Advertising Club.

Thomas R. Dew of the Chubb & Son organization attended the Philadelphia convention of National Assn. of Insurance Commissioners after taking in his 30th class reunion at Virginia Military Institute at Lexington.

O. E. Hopkins, associate resident manager of Hartford Accident at Los Angeles, is celebrating his 25th year with that company. He joined its casualty department at San Francisco in 1923 a few weeks after graduation from University of California. His associates in the office tendered him a testimonial dinner.

F. Britton McConnell, vice-president and general counsel of Pacific Employers, and Unity Mutual Life & Accident, has been appointed to the city council of Beverly Hills, Cal.

DEATHS

Otway Conard, Veteran Auto Underwriter, Dies

Otway M. Conard, 56, executive secretary of Standard Accident, died sud-



OTWAY M. CONARD

denly of a heart attack at his summer home near Harrow, Ont. He was well known as an expert in automobile underwriting.

Mr. Conard attended Ohio State University and started with Standard Accident in the inspection department in 1919, and later being transferred to the liability underwriting department. He was made superintendent of the automobile department in 1923 and in 1936 was named an assistant secretary in charge of automobile underwriting. In 1943 he was made executive secretary, giving him general executive authority in addition to supervision of the automobile department. He had written numerous articles for insurance journals on automobile underwriting and had addressed numerous agency groups on the subject.

Mr. Conard was an outdoor enthusiast and for many years spent his vacations hunting and fishing in the Canadian wilds. In recent years he had pursued his hobby in Michigan, doing considerable fishing in the waters of Lake Huron and bird hunting in the Thumb district.

John J. Powell, 58, chief statistician for the Pennsylvania state compensation fund since 1939, died of a heart attack at Harrisburg.

Trantham Defends Rate Increases on Autos

COLUMBUS — Many persons connected with the casualty insurance business are critical of the sharp increases on automobiles since the war, but these advances merely reflect companies' experience, Homer Trantham, executive secretary Insurance Federation of Ohio, declared. He cited statistics on automobile accidents said while there is great need for safety education among adults it is apparent special attention should be given "junior and his pals."

Harry Perlet of the rating section of the Ohio department is said to be of opinion that motor car manufacturers through ultra-modernism in car design also have considerable responsibility in increased rates. Where formerly it cost only \$5 to \$10 to take the kinks out of a fender, the present cost is often \$25 or \$50.

Expect No Cal. "Fireworks"

SAN FRANCISCO—It is anticipated the June 24 hearing before the California department on the automobile rate changes announced in March by the National Bureau of Casualty Underwriters will be but a one-day and quiet affair. There has been discussion of the possibility of a repetition of the nine-day "trial" conducted by the department of the license application of Pacific Fire Rating Bureau.

It also is reported the only witnesses appear at the bureau's hearing will be William Leslie, general manager of the bureau, who is to explain to the department the necessity of effective dates of rate changes and the long established modus operandi in such matters. The department questioned legality of the system when the changes were announced.

Appeal Natl. A. & C. Case

LOS ANGELES—Attorney General Howser, as counsel for Commissioner Downey, has filed with the superior court here notice of appeal to the supreme court from the denial by Judge Fox of the commissioner's motion for a new trial in the National Automobile Casualty case.

Judge Fox sustained the appeal of the company, and ordered the commissioner to cancel the order for suspension of its license and then denied the motion for a new trial.

WANT ADS

EXPERIENCED PAYROLL AUDITORS

wanted for Mid-western territory. Will consider qualified men for training. Write to Q-80, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

BOND FIELD MAN WANTED

We have exceptional opportunity for young energetic bond field man in Illinois. Previous field experience helpful but not essential. A real chance to become associated with a leading company now specializing in the Fidelity Field. Address your application giving complete history and qualification to Box Q-62, National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

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To take charge of Midwest Dept. Knowledge of all casualty lines. Excellent opportunity for advancement. Address Q-77, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

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INSURANCE NEWS BY SECTIONS

MIDDLE WESTERN STATES

Two Districts of Ohio Agents Group Meet

The eighth district of the Ohio Association of Insurance Agents met June 24 at Alliance. A committee composed of W. T. Cooper, Akron; R. B. Mertes, Canton, and J. E. Bay, Alliance, submitted a slate of officers and Carl A. Gluck, Youngstown, vice-president Ohio association, spoke.

R. R. Schryer, Lima, was nominated trustee of the Ohio association at a meeting of the fifth district at Marion. He is to succeed M. S. Bennett, Sidney.

Addresses were made by J. G. Bishop, assistant secretary Ohio Farmers Insurance, Leroy, and Howard R. Underwood, state agent Providence Washington, Columbus. J. D. Torrance, Kettering, state agent Fireman's Fund, Columbus, representing the Fire Prevention Assn. of Ohio. The two groups joined in a banquet with Al Kette as hostmaster and Norman Imrie of the state fire marshal's office as speaker.

Fifty fire chiefs, industrial leaders and insurance agents, member of the Ohio fire safety committee, also met. Speakers included C. R. Scott, assistant state fire marshal, Columbus, and Kenneth Fog, state agent Fireman's Fund, Columbus, representing the Fire Prevention Assn. of Ohio. The two groups joined in a banquet with Al Kette as hostmaster and Norman Imrie of the state fire marshal's office as speaker.

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Wendell Schollander, southern Kansas state agent of St. Paul F. & M., addressed the Wichita Assn. of Insurance Agents on inland marine coverages, including installment sales floater, contractors' equipment floater and transportation floater. He explained the terms and endorsements and the possible market for the coverages.

Claude Dearth, chairman of the golf committee for the annual meeting of the Kansas association, at which the Wichita association will be host Oct. 2-22, outlined plans for the golf tournament.

Cleveland Agency Expands

Kees & Co., Cleveland agency established 73 years ago by the late William Kees, which has of recent years been carried on by Ray A. Urquhart, a member of the Kees family, is expanding its activities and will move into new offices at 33 Public Square July 1.

Ray K. Urquhart is entering the agency to be actively associated with his father, and starting the fourth generation in agency.

Yost Heads Mo. 1752 Club

Roy Yost, Lumbermen's Mutual Casualty, was elected president at the organization meeting of Missouri 1752 Club at Columbia.

H. M. Anderson, Grain Dealers Mutual Fire, is vice-president; J. R. Pound, Iowa Mutual Liability, secretary-treasurer. The three officers and A. P. Jones, Mill Owners Mutual, and William Dow, Lumbermen's Mutual, are directors.

Whitford Speaks at Oshkosh

OSHKOSH, WIS.—"Purchasing Insurance for Your Firm's Risks" was the subject of a talk by George Whitford, assistant western department manager of Fire Association, at a dinner and clinic on insurance sponsored by the Oshkosh Chamber of Commerce and in charge of Warren F. Coe, general agent

Penn Mutual, president of the chamber.

Mr. Whitford advised the business men to improve their risks, become aware of fire hazards, redistribute values so they will not all be subject to one fire, and install automatic fire fighting equipment.

\$350,000 Airport Fire in Mo.

Rosecrans Field, St. Joseph, Mo., suffered its second fire in less than a year last week. The latest fire caused an estimated insurance loss of about \$350,000 on a hangar, a converted B-25, owned by Butler Bros., and valued at approximately \$100,000, and some 20 smaller planes.

Last July the airport had a fire that did damage of about \$1,400,000.

Name Neb. Subcommittees

LINCOLN—The governor's committee on fire prevention for Nebraska met here June 11 and set up subcommittees to deal with building, construction, operation and protection; fire fighting services; fire prevention education; law enforcement and research, and organization of public support.

Topeka Offices Remodeled

The offices of the Kirk General Agency and Mid-West Co., general agents at Topeka, have been completely remodeled and refurnished. The new arrangement provides private offices for W. R. Kirk of the Kirk agency and C. W. Roush of Mid-West Co. In the rear is a larger office providing space for the underwriting department.

Ohio Tax Up \$1½ Million

COLUMBUS—The state will receive \$12,699,371 from the 2½% premium tax in 1948, \$1,540,102 more than in 1947. The Ohio department has been allotted \$311,160 for the biennium, with \$31,110 for rating work.

Discuss New Building Code

CAPE GIRARDEAU, MO.—City officials and members of Cape Girardeau Assn. of Insurance Agents met with engineers of Missouri Inspection Bureau to discuss a new building code in line with the model code of National Board. Milton I. Parker, chief engineer, and William Edom and John Bauman, engineers of inspection bureau attended the meeting.

Lumbermen's Mutual Parley

The agents advisory council of Lumbermen's Mutual will hold its annual meeting June 24-25 at Mansfield, O., with more than 30 states represented. Speakers will include Philip L. Baldwin, executive secretary National Assn. of Mutual Insurance Agents, Washington; Howard F. Russell, manager Improved Risk Mutuals, New York; James C. O'Connor, editor Fire Casualty & Surety Bulletins, Cincinnati; Gordon Davis, manager Mutual Loss Research Bureau, Chicago.

Minn. Mutual Men to Meet

ST. PAUL—The annual convention of Minnesota Assn. of Mutual Underwriters will be held here July 12. James C. O'Connor, editor Fire, Casualty & Surety Bulletins, Cincinnati, will speak and a forum on "What This Association Should Do for Minnesota Mutual Agents" will be conducted.

Arthur B. Dunbar, local agent, has been elected a director of the Omaha Chamber of Commerce.

PACIFIC COAST AND MOUNTAIN

Wash. Bureau Files New Forms Effective June 7

A new standard form for writing all property blanket has just been filed by the Washington Surveying & Rating Bureau. It eliminates the need for filing special forms with the bureau and long has been in demand by agents in the state.

Two new courses of construction forms also were filed which previously were adopted in other jurisdictions. They are the builder's risk reporting form and builder's risk completed value form. Under either, furniture, fixtures, machinery and equipment to be installed may be insured with the building.

The new unearned premium endorsement, also previously adopted in other territories, also went into effect June 7. Coincidentally, the old inherent explosion clause has been reworded and two new inherent explosion clauses have been filed.

Scudder Up for Congress

Hubert B. Scudder, veteran local agent of Sebastapol and member of the California legislature until he was appointed state real estate commissioner, has won the Republican nomination for Congress from the first district of California. At the same time, by cross filing for the Democratic nomination in the primary under the California law, he stood in third place—receiving a total vote which indicates his election next November when voters can ballot for nominees of any party.

For nearly 30 years Mr. Scudder has been one of the most active members of

California Assn. of Insurance Agents and for many years a director. During his long service in the legislature he was either chairman or a member of the insurance committee at practically every session in which he served.

Gorman Named Asst. Coast Manager of National Fire

R. J. Gorman has been promoted to assistant manager of the Pacific department of the fire companies of National Fire.

Mr. Gorman recently completed 35 years with National Fire. He started with the W. O. Wayman general agency which conducted National's affairs on the coast until 1930 when the Pacific department was formed. In 1945 he was appointed comptroller.

Five Western Agents' Groups Plan Rallies in Sequence

Conventions of five western agents' associations have been set in sequence for September. The schedule of meetings is: Sept. 15-16, Utah, Salt Lake City; Sept. 17-18, Idaho, McCall; Sept. 20-21, Washington, Bellingham; Sept. 23-24, Oregon, Gearhart; Sept. 27-28, Montana, Helena.

Lumber Loss Hits \$96,000

Insured damage to the Roseburg Lumber Co. at Roseburg, Ore., where fire destroyed a large dry kiln, green sorter, two cooling sheds and part of a planing mill has been estimated at \$75,000 on building and equipment, \$10,000



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on stock and \$11,000 use and occupancy. Uninsured loss was estimated at \$100,000 on stock, \$125,000 on buildings and equipment and \$130,000 use and occupancy. Jones & Chamberlin is handling the adjusting. Cause of the blaze is undetermined.

Barry El Centro Manager

Barr Adjustment Co. has appointed John J. Barry manager of the El Centro, Cal., office.

Mr. Barry has had more than 20 years casualty experience, most recently with the New York state insurance fund as supervising investigator, claims examiner, and senior adjuster.

The office will service all types of claims in the Imperial Valley area.

Roy C. Wacker Promoted

Roy C. Wacker has been promoted from manager at Tucson, Ariz., to assistant general manager at Phoenix for Lyle Adjustment Co. of Phoenix. Robert F. Carlson, who has been senior staff adjuster at Tucson, succeeds Mr. Wacker as Tucson manager. The Phoenix headquarters are being moved to larger quarters in the Luhrs building.

Has Spokane Service Office

A service office has been established by Frazier & Co., Seattle general agency, at Spokane. Raymond C. Largent, formerly with the Tandy & Wood agency of Idaho Falls, has been appointed special agent in charge of eastern Washington and northern Idaho. He started with the Jones & Mitchell agency at Spokane.

Hail Damages Baker Roofs

A hail storm running from Baker, Ore., to Spokane caused damage to nearly every composition roofed structure in Baker and some of the shingle roofs. The stones were as large as golf balls and have brought out a heavy demand for adjusters.

F.U.A.P. in New Home

The office of Fire Underwriters Assn. of the Pacific is moving to 215 Battery street, San Francisco 11.

Doran Joins Parker-Smith

Richard B. Doran, formerly with the marine department of Fireman's Fund at Seattle, has joined Parker-Smith Co., Seattle agency. He was a lieutenant-commander in the navy in the last war and joined Fireman's Fund in 1945.

Reestablish Bar Committee

The pre-war California Bar Assn. conference committee on insurance adjusters, made up of representatives of the companies and the attorneys' organization, is being reestablished at San Francisco.

To Honor Seattle Graduates

SEATTLE—A buffet dinner will be given by King County Insurance Assn. June 22 to honor 47 students who recently completed the N.A.I.A. introductory course. The students, accompanied by their employers, will receive certificates from R. C. Jenner, who organized and conducted the course.

Instructors, trustees and the ways and means committee of King County Assn. also will be guests.

Moe Talks on Values

Ralph R. Moe, assistant general manager of General Adjustment Bureau at San Francisco, discussed "Cash Value and Market Value" Monday at a meeting of the Pacific Fire Loss Assn.

Thomas New Brokers' Head

Lloyd Thomas of Kelly & Thomas was elected president of the Society of Insurance Brokers at the organization meeting of the new governing committee Monday.

SOUTH

James J. Ryan Opens as Independent Adjuster

James J. Ryan, who is well known to insurance men, has opened independent adjusting offices under the firm name of James J. Ryan & Co. at Ashland, Ky.

The new firm will handle fire, automobile, inland marine, casualty, and allied losses.

Mr. Ryan has been in the service end of the business for 12 years. He was an investigator for Retail Credit at Louisville and Paducah, and joined Western Adjustment at Louisville in 1940. In 1944 he was appointed resident adjuster at Ashland, remaining there with Western Adjustment until he resigned June 1.

He attended University of Louisville, is past vice-president Louisville Claim Men's Assn. and a member of Kentucky Blue Goose.

Facilities of the firm will be available in eastern Kentucky, southern Ohio and southwest West Virginia.

Fruit, Houston General Agent, Forms Fire Company

Julian E. Fruit, Houston general agent, is organizing a fire carrier, San Jacinto Insurance Co., which has been granted a charter with \$100,000 capital. Mr. Fruit is now taking subscriptions for stock in Texas only with a view to having at least \$100,000 in surplus before underwriting begins. He is offering 500 shares to agents at \$200 per share. Agencies will be limited to stockholders and premium volume will be related to the amounts of stock held. Casualty lines are to be added later.

Texas Chairmen Named

T. Champe Fitzhugh, president of Texas Assn. of Insurance Agents, announces that very few changes will be made in committees. The aviation committee, Alphonso Ragland, Jr., Dallas, chairman; the fire prevention committee, Julius Levi, Houston, chairman, and the marine committee, John H. Chiles, Jr., Austin, as chairman, remain unchanged in membership.

George N. Dwyer, Wichita Falls, will head the rates and forms committee, as the previous chairman, Russell R. Trimble, is now vice-president of the Texas association. J. F. Nicolls, Houston, is chairman of the casualty committee.

Edwin L. Stephens, Midland, has been appointed chairman of the new district 13, formed by dividing district 6 into two districts.

Report on Texas Meeting

President Charles Schneider, W. L. Stiles and other members of the San Antonio Insurance Exchange reported at its June meeting on the 50th anniversary convention of Texas Assn. of Insurance Agents. Problems of the city in maintaining a good fire record were reviewed. Secretary F. F. Ludolph urged continued support of the San Antonio safety committee.

Va. Rating Bureau to Meet

The annual meeting of Virginia rating bureau will be held at Richmond June 25. C. D. Minor, president of Virginia Fire & Marine, is new chairman of the governing committee.

After more than 40 years operation, F. O. Miller of Norman, Okla., has sold his agency to King G. Price. His son, Harvey Miller of Oklahoma City, is state agent in Oklahoma of National Fire.

Willard Crotty, vice-president of Dallas Insurance Agents Assn., as president of the Dallas Junior Chamber of Commerce, accepted for it at the national convention the Marks Memorial Award, given to the Junior Chamber voted all-around-best in activity.

EAST

New Hartford Apportionment

The city of Hartford will revert this year to the insurance commission apportionment system in force before 1946, devised then by Alfred N. Premo, who is back in office as the city's insurance supervisor. Under a revision sponsored by Herbert F. Fisher, who served two years as supervisor, the Premo method of apportionment was modified to give agents who paid high tax bills to the city greater advantages under the schedule. The awards will be made before Nov. 1. The fund from which commissions are paid to agents is accumulated from insurance companies which pay them to the board of trustees. Out of the fund are paid the salaries of the insurance supervisor and clerk, and expenses of the insurance office with the rest of the fund distributed among the agents.

Centennial Is Observed

Mutual Fire of Montgomery county, Maryland, celebrated its centennial at a dinner at Norbeck, Md., with about 250 present. The principal speaker was Dean Acheson, former undersecretary of state, who owns and occupies the house at Sandy Spring, Md., that was insured by the first policy issued by the company on the day of its founding to Edward Stables, the first president.

Toastmaster was Christian H. Kahl of Baltimore, a director of the company. Other speakers were Hazelton A. Joyce, Maryland deputy commissioner, and Judge Stedman Prescott. Arthur Douglas Farquhar, the president, gave an historical review; Edward A. Stabler, grandson of the first president, was present. Another guest was W. E. Howard, National Bank of Washington, with which the insurer has had an account continuously since June 1, 1848.

Pa. "Exams" Now Quarterly

Agent license examinations in Pennsylvania are now being held quarterly instead of monthly as in the past. At one time such examinations were conducted each week but this was changed to the monthly basis mainly at the instance of Pennsylvania Assn. of Insurance Agents.

Finds Property 40% Behind

The Westfield, N. J., board of education, after a survey by engineers, has announced that insurance on all school buildings will be increased, perhaps as much as 40%, or \$800,000 over the present \$2,100,000 valuation. At present, there is not enough insurance to bring the coverage up to the 80% coinsurance base on which the property is written, although the last survey was made in 1945.

CANADIAN

Winnipeg Agents Elect

WINNIPEG—At the annual meeting of Insurance Agents Assn. of Winnipeg, these officers were elected: President, R. L. Denison, Smith, Fess & Denison; vice-president (fire), R. B. Sanders, Harry Price Agencies; vice-president (auto), G. F. Schoales, Canadian Agencies; secretary, V. D. Hurst, W.C.I.U.A. R. J. White, retiring president, reviewed the work of the past year.

Reports Sask. Results

REGINA, SASK. — The Saskatchewan government insurance office states that as of April 30 it topped in business all the 260 private insurers operating in the province.

Total premium income since May 1, 1945, was \$4,738,500, and O. W. Valleau, provincial secretary, says 98.18% remained in the province, as against 23% when the business was written by pri-

vate insurers. He reports assets of \$2,820,238 and earned surplus of \$204,771.

Simmons Regina Chief

REGINA, SASK. — At the annual meeting of Insurance Agents Assn. of Regina, with J. D. Clare Thacker presiding, new officers were elected: F. P. Simmons, chairman; F. Hill, vice-chairman; Ian Forbes, secretary.

Blair to Federation Fire

Lawrence W. Blair has been named managing director of Federation Fire of Canada. For nearly 20 years he has been with London Assurance, lately as assistant manager for Canada.

Forms Canadian Forest Insurer

W. G. Wright, a Quebec forest engineer, has formed the Limitholden Mutual Insurance Co. to write nothing but forest fire risks. Mr. Wright has drawn up figures which show timber losses on a par or lower than the ratio on ordinary fire insurance. Stock will be available in the new company, but will be sold only to policyholders and company directors.

Nordisk Reinsurance has been licensed in Ontario for reinsurance only.

MARINE

Miekeley Heads Camden Fire Inland Marine Department

Horace Miekeley has been appointed manager of the inland marine department of Camden Fire.

Mr. Miekeley joined Camden in 1928 as a fire underwriter and later transferred to the marine underwriting department. In 1943 he became manager of the marine department for Employers Fire in the middle department. He rejoined Camden in 1947 in the marine department.

Claims Group Elects

At its annual meeting the Inland Marine Claims Assn., New York City, elected the following officers: President, Harold S. Daynard, Jones & Whitlock; vice-president, Howard Nagelsmith, R. F. Tierney; secretary, George S. Peterson, American Associated, and treasurer, James Coppins, General of Seattle.

Mr. Daynard is the author of the bulletins on inland marine problems whose publication has aroused wide-spread attention over the country.

Dallas Mariners Elect

DALLAS—The Mariners Club, consisting of those interested in inland marine and ocean marine insurance, has elected Virgil B. Hooks, Jr., as skipper; Gilbert Easley, mate, and Dan Bart, purser.

Carpenter & Baker Expands

Carpenter & Baker of New York have been appointed U. S. marine managers for Transcontinental of the National Fire group. Carpenter & Baker supervises an extensive ocean, river, lake and yacht business throughout the country.

Lund St. Paul Speaker

Leonard Lund, Minnesota deputy commissioner in charge of the fire marshals' office, spoke on fire prevention before Insurance Agents Assn. of St. Paul.

Trammell, Jr., Joins Father

Lee W. Trammell, Jr., has purchased a half interest in Southeast Missouri Mutual Fire, Dexter, Mo., which was organized by his father in 1910, and he will also be associated with his father in his agency, which will be known as Lee W. Trammell & Son.

ADJUSTERS GROUP REVISES SETUP

(CONTINUED FROM PAGE 17)

ter of the National Board, commended adjusters for their high standard of achievement. The company staff adjuster and the company owned bureau adjuster are supervised, he said, and while omissions and commission nevertheless occur, there is a constant effort by management to maintain honest, intelligent endeavor. The independent adjuster must be his own supervisor and conduct his affairs according to his own conscience. He does not have a regional or head office where he can seek counsel and advice and too many times he does not discuss his problems with other adjusters in his own community. Yet, Mr. Sherwood declared, the independent adjusters have done, as a whole, a splendid job.

Faults Not All One-Sided

The cooperation of the association was pledged by Mr. Reed to attain better adjusting standards, but he said that the organization will look to the National Board for cooperation in getting a better job done. The faults are not all on one side.

In working out the catastrophe plan of the National Board, Mr. Reed added, independent adjusters almost unanimously have urged that eventually the board evolve a procedure under which full equality will be given company, independent and bureau adjusters. The independent want assignments cleared through the board and not through the bureau, he said.

The method used in Florida and Louisiana last year can be improved, Mr. Sherwood said. It is hard to figure in advance a method of getting assignments to independent adjusters in another way. This is because the call goes out for help from independent adjusters in a catastrophe situation only after two or three weeks following the storm. It is a hardship on independents to have to leave their own business and help out the industry, so they are called in last. Consequently a lot of assignments already have been made.

Suggests Reports to Insurer

It was suggested that after the assignments were made the independent adjuster deal directly with the company involved rather than with the company loss adjustment bureau.

It is not the association members with whom difficulties arise, but with unaffiliated independent adjusters, James J. Hermann of Chicago pointed out.

Mr. Sherwood said that under the catastrophe plan all adjusters register with the Board. He admitted that there are some incompetents. While it is not intended to try to second guess adjusters, there were some fantastic adjustments in the Florida blow. These were not confined to one type of adjuster.

Has any effort been made to set up a clearing house for or a catalog of acceptable adjusters? Mr. Hermann asked.

No Black List

The board does not have a selected or black list of adjusters and doesn't contemplate one, Mr. Sherwood replied. In the catastrophe work the board seeks uniformity so that there is neither grave overpayment nor grave underpayment. He suggested the possibility that a member of the National Assn. of Independent Adjusters in the area affected might supervise and handle loss assigning to other independent adjusters from over the country.

A Miami adjuster said the independents in the storm area from the first day will be getting a lot of work to do on the storm and be unable to do any supervising. His idea was that the independents name an independent adjuster to do the supervising. He doesn't necessarily have to come from the storm area.

Although he said he preferred to talk about the good work that the independent adjusters do, Gordon Davis, secretary manager of the Mutual Loss Research Bureau, had been asked to discuss some of the inadequacies of in-

dependent adjustments and adjusters.

A general criticism, he said, concerns the inadequacy of reports on fire losses. Status reports are too infrequent, and there is a lack of information in most reports. Company loss men are particularly critical when the adjuster fails to advise the company frequently. The company doesn't ask this information to keep the adjuster doing paper work. The loss manager has reports to make to his superiors, he has to set up proper reserves, and he has to answer inquiries of reinsurers on a particular loss. Hence the need of progress reports.

How About Uniform Report?

Would the adjusters' association consider a uniform report? Mr. Davis asked.

Mr. Reed replied that a committee of the Eastern Loss Executives Assn. and a committee from the New York State Assn. of Independent Insurance Adjusters now are attempting to lay out a plan for the fire loss report, which then will be submitted to company organizations. This effort is to determine the order in which various items in the report should be made, and would constitute a big step forward in producing generally good reports on adjustments, he added.

Paying tribute to the work of the independent adjuster, E. C. Niver, secretary of the New York Board, commented that it takes a long time to make a real adjuster, and that this is one field in which mature years and experienced heads are appreciated and in demand. Over 40 is not considered a bar to employment, and in New York City the boys of 60 plus are the ones who are most in demand. They are a spry and able lot, and have the necessary equilibrium for sound and satisfactory adjustments.

Vincent Scully, Newark, did a commendable job in handling arrangements.

Need Young Blood

Some plan is needed to attract young blood to the adjusting field, Edward Robedee, loss superintendent of the Improved Risk Mutuals, said. There are not enough young adjusters coming into the field to replace those dying out. He suggested it would be an excellent idea for the young adjuster—and some of the incompetent old ones as well—to visit company offices and learn how losses are processed and why. Adjusters should urge company loss men to visit in the field to learn the adjuster's work and the conditions he has to face.

The value of status reports cannot be over-emphasized, Mr. Robedee said. His own organization wastes a lot of time writing adjusters for them. A postal card estimate is no good. Estimates on small slips of paper get lost at the home office.

A number of company men were on hand and several spoke. Their interest in maintaining, renewing and making contacts with adjusters show that there is a good market for the adjuster's services today.

Dorsett Treats Collective Strength

Collective effort through strong organization is clearing up anomalous violations of sound claims practice in the insurance industry, J. Dewey Dorsett, general manager of the Assn. of Casualty & Surety Companies, declared. Mr. Dorsett stated that by collective censure of incompetent and questionable adjustments, good adjusters are bringing pressure to bear on those who would propagate public disfavor. "Just as group action by adjusters can bring erring individuals into line," he added, "so can concerted action by companies help maintain high standards of professional practice in a non-conforming company."

E. J. Skora of Uniform Printing & Supply said that the standard adjusters forms now available to independent adjusters, permit making the uniform reports desirable for both the adjuster and the companies. The elements on each form are arranged in logical sequence, are less time consuming and cumbersome

than the old form, and make training of personnel easier. They are always ready for prompt shipment and reduce printing costs, he commented.

The entire morning session Friday was given over to Dr. Maurice Frocht, New York neuro-psychiatrist, who said there is a need for schools which will train medical men in the legal aspects of their work. Today the physician who would be competent in aiding legal investigation has to study on his own initiative. He emphasized that many state industrial commissions should give more encouragement to rehabilitation work.

Real Diagnosis Difficult

Dr. Frocht explained that in hysteria the subject is deceiving himself and in malingering is attempting to deceive others. Often the malingering imitates the actions of the hysteria victim and real diagnosis becomes difficult.

The infidelity clause of the all risk floater policies present many of the adjusting problems for the inland marine adjuster, John M. Herne, New York attorney, commented. He said it is often

NEW OFFICERS ELECTED

President—Ross Whitney, Chicago.
Executive vice-president—L. M. Kizer, Waco, Tex.
Executive secretary-treasurer—M. M. Johnson, Fort Wayne, Ind.

difficult to determine even the question of who has the burden of proof to show that infidelity was involved. Today courts tend to assume that the burden of proof rests with the underwriter with the assured simply proving that he had a loss of an object covered in the contract.

Valuation Clause Disputes

Mr. Aherne said that the valuation clause in contracts is involved in more settlement disputes than any other. A contract need not use the words, "valued at," to be an agreed value form. A schedule with values headed "value of

item" sets up the valued form of policy. If the heading above the figures reads "amount of insurance" the form is an open form. Other value fixing clauses appear such as those setting limits of liability.

A loss limit form may set actual cash value not to exceed the lowest amount carried such on the inventory books of the assured. Generally, he indicated it is better to bring subrogation actions in the name of the assured. He advised using a form of proof of loss leaving free the right to bring subrogation suits in the name of the assured. In New York, if subrogation receipt is taken, then action must be brought in the name of the insurance company.

Mr. Aherne declared that unless a loss can be attributed by direct or circumstantial evidence to a known action, it is unexplained and not covered.

Texas Leaders at Houston

The executive committee of Texas Assn. of A. & H. Underwriters met at Houston in connection with a meeting of the Houston association. Chairman Porter Bywaters reviewed the progress in membership and organization of local associations and introduced the new officers of the Houston association: Louis George, broker, president; D. G. Liggett, Southland Life, vice-president, and Hal Terry, Aetna Life, secretary.

President O. D. Harlan of the Texas association reviewed the situation with regard to compulsory health plans now being proposed and of the plans of the National association to meet this propaganda. Chairman Bywaters presented a study of plans offered on national and state levels, emphasizing that they interfere with the rights of the individual and free enterprise.

Insurance Women's Club of Oklahoma City will provide two chaperones every Wednesday night, for the Lions Club camp near the city. The program will be continued through June, July and August.

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COMPENSATION EXPENSE EXHIBIT PRESENTED

(CONTINUED FROM PAGE 18)
REINSURANCE COMPANIES

Underwriting Ratios		Expense Analysis							
	Net premiums written	Losses incurred to earned	Exp. (adj.)†	Net gain (adj.)†	Claim exp. to earned	Acq. & fld. sup. to written	Gen. adm. to earned	Insp. & bur. to earned	Taxes & fees to written
Am. Reins.	\$ 1,224,676	\$ 1,187,415	82.6	10.3	7.1	—	4.2	4.9	2.0
Empl. Reins.	1,244,521	1,197,966	61.7	27.0	11.3	1.6	20.6	3.2	1.3
Europ. Gen. Reins.	899,993	592,001	86.4	49.5	—35.9	2.7	45.3	1.3	1.1
Excess	154,787	153,601	82.1	16.3	1.6	3.2	5.2	7.2	1.1
General Reins.	2,091,202	2,225,538	140.5	23.5	—64.0	1.3	16.9	2.8	2.0
No. Am. C. & S. Reins.	303	415	1328.0	10.2	—1238.2	—	9.9	—	—
1944 Totals	\$ 6,713,575	\$ 6,498,129	73.8	23.1	3.1	1.2	15.7	4.3	1.8
1945 Totals	5,173,598	5,198,028	52.4	23.1	24.5	2.0	14.6	4.3	1.9
1946 Totals	3,979,549	3,916,548	79.4	27.3	—6.7	2.7	17.9	4.5	1.7
1947 Totals	5,415,482	5,354,936	102.5	24.5	—27.0	1.3	18.2	3.3	1.3

STATE FUND									
1944	\$28,273,380	\$27,384,146	70.0	18.4	11.6	8.9	.7	6.1	2.1
1945	25,533,320	25,604,788	75.5	20.2	1.3	7.6	.7	7.1	1.8
1946	28,757,455	28,562,275	88.0	23.1	—11.1	8.3	.7	7.1	1.7
1947	37,158,140	36,632,459	76.0	23.3	—7.7	8.0	.7	6.6	1.7

†These ratios show results before consideration of federal income tax.

Give I.U.B. Plan Rough Going Over

(CONTINUED FROM PAGE 2)

any change from former I.U.B. practices insofar as public information of I.U.B. rates is concerned.

Mr. McCarl said that the insurers are not reluctant to give out such information, but the assured object to having data as to values, etc., open for inspection. Also he said it is expensive to publish and distribute the rates. Mr. Forbes remarked that the rate for a one location merchant is public information.

Seeks to Get Admission

Mr. Dineen pursued various avenues in his effort to get an admission from Mr. McCarl that under the advisory plan it is I.U.B. that actually would be making the rates and the local bureau would merely be doing mechanical work.

Mr. McCarl insisted that the proposed schedule is sound, that it does not lend itself to "capricious application." At one point Mr. McCarl pointed out that the I.U.B. gives the local rating bureau a projected application of the schedule. Mr. Dineen said that if the rating bureau accepts such a projected application, the I.U.B. is then making the rates. The local bureau have merely gone through a pro forma motion, he argued.

Mr. Dineen pried into the matter of credits and debits in the schedule, and elicited the information that there is a total maximum limit of 35% on credits and 200% on debits. Mr. Dineen appeared to be somewhat taken aback by the answer to his question as to how many multiple location risks are debited. Apparently he was going on the assumption that debits are very rare. Mr. McCarl replied that this depends on the times but in the recent past about 25% have been debited.

Public Information

There was much questioning on the matter of public information of the rates and Mr. Forbes declared that the plan favors the broker who is on the line. Mr. McCarl emphasized the fact that the I.U.B. rates change every year and that to publish them would be very costly. He pointed out that specific rates stand for years on end.

Mr. Forbes asserted that I.U.B. is really a rating organization and that if it qualified as such, all doubts would be removed.

Mr. McCarl said that the insurer at interest or the I.U.B. acting for it, would supply each rating bureau with data to enable such bureau to publish a rate. The I.U.B. collects specific rates from the various bureaus and gives a projected application of such rates.

Thompson of Oregon said that under such a plan, if a subscriber of the Oregon rating bureau would complain to him about inability to get information, he would direct the rating bureau to give the subscriber all the data.

Mr. Dineen asked whose advice a rating bureau would take if there were one or more other organizations in the field such as I.U.B. and the various ad-vice conflicted. Mr. McCarl replied that the bureau would take the advice

that they believed to be correct.

McCormack of Tennessee declared that the plan is an attempt "to use the insurance department as tools for illegal shenanigans."

Chase Smith of the Kemper organization was asked for an opinion. He said there is no objection to the I.U.B. acting as an advisory organization, but the state rating bureau is the responsible rating organization and it is the one to determine the variables. The key to the situation, he contended, is that I.U.B. will, if possible, be the rating organization from start to finish. The intent, he charged, is to achieve every advantage for I.U.B. members.

Need Interstate Organization

Mr. Smith expressed the hope that the industry will decide that the whole program is unworkable. He contended that interstate rating must be performed by an interstate rating organization.

Mr. Smith said he would be satisfied if the state rating bureau would relinquish jurisdiction over reporting forms and I.U.B. would become licensed as the rating organization for such covers. Then independent insurers could get similar organizations licensed.

Mr. Dineen declared that if a state rating organization makes its services available only to members of I.U.B. it is violating a condition of its license.

N. D. and Wis. Are Winners

North Dakota and Wisconsin have been granted superior awards for advancement of high school driver education by the judges appointed by Assn. of Casualty & Surety Companies. These states had maintained a full course in driver education in 50% of their secondary schools and had enrolled a minimum of 50% of eligible students in them. Special awards were given to Arizona and Delaware, which came close to the "superior" test and "meritorious" awards went to Illinois, Massachusetts, New Jersey, Virginia and West Virginia where 25% of the secondary schools maintained courses in driver education and there was 25% enrollment.

There were 38 states participating in the program and there were a total of 3,918 driving courses offered for a total of 238,000 students.

Hike Ia. Blue Cross Rates

DES MOINES—Hospital Service of Des Moines has increased its rates on individual contracts from \$1.20 to \$1.25 a month and family contracts from \$2.40 to \$2.65. Direct payment contracts are being increased 25 cents a month to \$1.40 for individuals and \$3.10 for families.

The increase has been approved by the Iowa department.

The Pittsburgh office of General Adjustment Bureau has been moved to Hotel Keystone.

Interstate Action Again Deferred

(CONTINUED FROM PAGE 17)

requested National Council to submit the rate level changes based on the present rate making procedure for each state to which the adjustment factor would be applied.

Mr. Gibbs said his committee received a report of a special National Council committee on interstate rating and this was referred to a special subcommittee of the Gibbs committee. George Elliott of the Pennsylvania department reported as chairman of a subcommittee studying graduation of experience by size of risk. Mr. Elliott said this is a big project. When the field studies are completed, it will take a week or more of meetings of the workmen's compensation committee to review the results. He said the study started March 15 with Great American Indemnity and then the subcommittee divided itself into three groups and those groups pursued field studies in Fidelity & Casualty, Liberty Mutual and Merchants Mutual Casualty. The report on Great American Indemnity is now being prepared. The subcommittee will meet early this fall, he said, and it solicits any enlightenment or information about studies that may be conducted by the industry.

Mr. Gibbs had desired that the Elliott committee undertake the study of interstate rating along with graduation of expense, but Mr. Elliott ducked this one, saying that the one study is all that can be undertaken at this time. Some of the industry people expressed disappointment that the interstate rating matter was not tackled in more forthright fashion in view of the fact that the July 1 deadline under public law 15 is now at hand.

Recalls 1947 Action

The interstate rating committee also headed by Mr. Roeber, recalled that in 1947 it developed a plan for experience rating multiple location risks on an interstate basis. Rate regulatory laws necessitate a rating plan that will as equitably as possible adjust the state rates to fit the requirements of the individual risks, based upon their exposure in all states. In order that rating plans may meet the requirements of multi-location risks, it is desirable that in their application the entire operations be included in one overall rating on an interstate basis. The plan must be applied to the risk as a whole so that it may receive credibility appropriate to its entire operation. He expressed the belief that the 1947 plan meets these qualifications as well as the present day concept of insurance as interstate commerce.

The National Council submitted this plan early in 1947 in the various states and to the independent compensation rating bureaus with the request that the plan be approved for use effective on and after Oct. 1. Thus far it has been accepted in 21 rate regulated states and

is effective in three other states where rate filing is still unnecessary.

In the application of the plan, the risk experience for a given state is reviewed and assembled by the rating organization of that state. It is then sent to the rating organization of the state having the major proportion of the risk premium where the experience is consolidated and an overall experience modification developed for the entire risk. This modification together with a copy of the calculations, is returned to the separate state rating organizations and the resulting adjusted state rates applied to the state operations. Thus each individual state organization reviews that state's experience and promulgates the rates.

Mr. Roeber said that the industry had a report to make and he would like to see early action taken. He emphasized that it is a pressing matter.

Another industry report that was received was one dealing with national pure premiums. This provides for the compilation of countrywide experience for the determination of national pure premiums to be started in the fall of 1949.

This pure premium committee, also headed by Mr. Roeber, stated that the last compilation of countrywide experience, including experience through policy year 1938, was made in 1941 and the resulting national pure premiums were used in state rate revisions filed in 1942.

Cravens, Dargan Expands Interest in Oklahoma

The fire insurance business of the Robert L. Drake General Agency of Oklahoma City has been transferred to the management of Cravens, Dargan & Co. of Houston, following the death recently of Mr. Drake. Michigan Fire & Marine and New England Fire of the Springfield group are the companies whose Oklahoma business management is being transferred. Mrs. Drake has a continuing interest in the premiums. Cravens, Dargan & Co. has been doing business in Oklahoma several years, representing Carolina of the Home group until recently. Cravens, Dargan in Oklahoma now represents Security National Fire of Texas for hail on crops only and Michigan Fire & Marine and New England Fire.

The casualty business will continue to be written by Robert L. Drake General Agency.

Revise Rochester Setup

Underwriters Board of Rochester at its luncheon meeting Monday, heard a talk by Everett H. Hunt, secretary and counsel of Insurance Federation of New York, and also adopted amendments to constitution and by-laws eliminating provisions that might be attacked as violative of the federal anti-trust laws. The regulations for fines and expulsion were eliminated and the provision for arbitration of differences between members and penalties for refusal to submit to the jurisdiction of the arbitration committee.

Hogan Heads N. E. Mutuels

C. E. Hogan of Middlesex Mutual was elected president of Mutual Fire Insurance Assn. of New England at the annual meeting at Boston. H. K. Bartlett, Traders & Mechanics, is first vice-president; Edward C. Nichols, Merrimac Mutual, second vice-president and Edward D. Sirois, secretary.

Carl G. Gesen of Manufacturers & Merchants Mutual, in his presidential address, said large operating expenses today are obscured by the unusually high premium volume. Very likely the expense factor will continue high long after the premium volume recedes.

Insurance Women of Los Angeles has installed these officers: President, Van Ness Vaughan; vice-president, Frances Gray; secretaries, Eva Smith and Ruby Frankenberg; treasurer, Atala Carter. Miss Laura La Veille, president Business & Professional Women's Club of Los Angeles, was installing officer.

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Famous American Homes

Whipple House

"The Whirr of Spinning Wheels"

"LAWRENCE YE INDIAN," valued at four pounds, was numbered among Captain John Whipple's worldly possessions in his will drawn in 1683. The numerous household items in his inventory, including "basons, pottingers and silly bub pots," together with his homestead, farm lands, "piggs, cowes and swyne," mark him as unusually wealthy for the period.

The captain was the second of three John Whipples who lived in the old homestead

in Ipswich, Massachusetts, that bears their name. Though the exact date when the earliest section of the house was built has not been determined, the first John Whipple acquired it in 1642. As Deacon and later as Ruling Elder, this eminent Puritan was one of the leaders in church and town government.

Elder Whipple's son, Captain John, was a businessman and soldier. While serving in King Philip's War he gained possession of the Indian mentioned in his inventory. As his son, Major John, had six daughters but no male heir, the house passed to the major's daughter Mary and her husband and was owned by their descendants until 1838.

Now the headquarters of the Ipswich Historical Society, the Whipple house is considered one of the best examples of earliest seven-

teenth-century colonial architecture in New England. Faithfully restored to its original period, it recreates in the imagination the daily life of the Puritans. As the Ipswich historian, Rev. Thomas Franklin Waters, has said, "The old pavement in the dooryard rings again with the hoof-beats of Capt. Whipple's horse hurrying to lead his troops to repel an Indian assault . . . the whirr of spinning wheels, the rumble of the loom overhead, the beat of the

churn, the roar of great winter fires, the hissing of meats on the long spits, the voices of children at play or demurely reciting the catechism, the good wife's chat with neighboring gossips . . . all the history of other days becomes a speaking witness to the simplicity of the old Puritan home life."



Household implements used by the Puritan family.

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The Concordia Fire Insurance Co. of Milwaukee
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Milwaukee Mechanics' Insurance Company
Organized 1832

Royal Plate Glass & General Ins. Co. of Canada
Organized 1906

The Metropolitan Casualty Insurance Co. of N.Y.
Organized 1876

Commercial Casualty Insurance Company
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Canadian Departments
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465 Bay St., Toronto, Ontario

Southwestern Dept.
912 Commerce St.
Dallas 2, Texas

Pacific Department
220 Bush St.
San Francisco 4, Calif.

